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ABSTRACT

This study is the first of five studies assembled by the budget committee of the Iowa general assembly to provide information regarding the financing of education by state government. It analyzes general appropriations in the state of Iowa between 1960-76 and compares Iowa's appropriations with those of other states. The results indicate increased state support for education in Iowa during the stated period, especially to public school districts. The document states that the most disquieting aspect of this study is that Iowa's support for postsecondary education, considering increased enrollments and declining purchasing power, has declined both in constant dollar expenditures per student and in national ranking. However, for the period 1960-76, Iowa can be proud of increasing state financial support to K-12 school districts.
(Author/LD)

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# A Study of State of Iowa Appropriations with an Emphasis upon Expenditures for Education

by
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The University of Iowa

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# TABLE OF CONTENTS


Acknowledgments ..... v

Overview ..... 1
- Legal Responsibility for Education ..... 1
- Local-State Financing of Education ..... 1
- Enrollment Increases and Funding Program ..... 2
- Purpose of the Study ..... 3
- Organization of Findings ..... 3

Changes in Iowa's Appropriations by State Program Category 1960-76 ..... 5
- A Synopsis ..... 5
- State Departments ..... 6
- Education ..... 6
- Human Resources ..... 7
- Transportation and Law Enforcement ..... 7
- Natural Resources ..... 8
- Tax Credits and Aids ..... 8
- Summary ..... 8

Changes in Iowa's Appropriations for Education 1960-76 ..... 15

Comparison of Iowa with Other States in Appropriations for Education and in Ability and Effort to Support Education, 1960-76 ..... 31
- A Synopsis—Public School Districts ..... 31
- An Overview of Board of Regents Universities ..... 33
- Expenditures Per Student ..... 35
- Enrollments ..... 35
- Summary ..... 36

General Summary ..... 48

Appendix A and Footnotes ..... 50

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This study is the first of five made possible by the Interim Study Committee of the House Budget Committee of the Iowa General Assembly. Committee members were: Representative N. Jesse, chairman; W. Horn, F. Koogler, J. Patchett, D. Stromer, and R. Welden.

The objectives underlying each of the five studies were to provide pertinent information and to increase knowledge regarding selected problems facing education in Iowa.

The five studies of education in Iowa were conducted by faculty members at The University of Iowa, Iowa State University, and the University of Northern Iowa. The five studies were coordinated by Professor George A. Chambers, chairman of the Division of Educational Administration, The University of Iowa. Titles of the studies and faculty researchers are:

"A Study of State of Iowa Appropriations with an Emphasis upon Expenditures for Education," George A. Chambers, Leo A. Gerst, and Marvin E. Jackson, The University of Iowa.

"A Study of Iowa's Public Elementary and Secondary Enrollment Trends, 1977-78 through 1981-82," Professor Emeritus Wayne P. Truesdell, University of Northern Iowa.

"Enrollment in Post Secondary Education in Iowa: Prospects and Potential Problems for the Period 1977 through 1986," Duane D. Anderson, Robert E. Engel, and Robert S. Ellinger, The University of Iowa.

"A Cost Projection for Special Education Funding in the State of Iowa, 1975-76 through 1985-86," Clifford E. Howe, The University of Iowa.

"A Study of Current and Potential Cooperation in Vocational-Technical Education between Area Schools and Public Schools in Iowa," Harold E. Dilts, Iowa State University.

The authors express their appreciation to the Committee and to Ms. Linda King, Administrative Assistant to the Committee, for help and direction in conducting the studies.

# CHAPTER 1—OVERVIEW

This chapter presents a brief overview of the setting for the study. Included here is background information concerning the legal responsibility for education, local-state financing of education, enrollment increases and funding problems, purpose of the study, and organization of findings.

## Legal Responsibility for Education

Education is a state function; the responsibility for education is vested in each of the 50 states of the United States. The Tenth Amendment to the United States Constitution states: *The powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States respectively, or to the people.* No reference is made to education in the Constitution; thus, education is a power reserved to the states.

## Local-State Financing of Education

Historically, state responsibility for operating and maintaining schools was delegated by state governments to local school districts. The responsibility for financing schools by the local community came with the delegation of responsibility for education. To finance schools, local communities depended almost exclusively upon the property tax as the source of revenue. In fiscal 1973, school districts throughout the nation received 99% of their local tax revenue from property taxes.

State assistance in financing public schools has increased since 1929-30 from 17% of all school revenue in fiscal 1929 to 41% in 1973 (see Table 1.1). Local revenue as a percentage of all school revenue decreased from 82.7% in 1929-30 to 51.3% in 1973. For the same period, however, the amount contributed by local sources increased from $1.7 billion to $26.6 billion. This is an increase in excess of 1500%.

## Enrollment Increases and Funding Problems

Between 1946-66, enrollments in U.S. public schools increased from 23,299,941[1] to 43,055,000.[2] This dramatic post-World War II enrollment growth resulted in a heavy burden for most local communities to finance their education system adequately. Property-rich districts were able to finance their schools with little effort, while property-average to property-poor districts were finding it extremely difficult, if not impossible, to raise enough money from property taxes to support schools.

State legislatures responded to outcries for property tax relief by enacting legislation to overhaul the system of financing school districts. Foundation and equalization plans for education brought additional financial support from the states to local school districts and reduced substantially the educational inequities created by the wide variation in property wealth among local school districts.

In the fall of 1960, enrollments in public postsecondary institutions were 2,276,893 (2,115,893 degree credit[3] and 161,000 nondegree credit students[4]); by the fall of 1969, enrollments had increased to 5,939,513.[5] These increases were caused not only by increased enrollments in elementary and secondary schools, resulting in a greater number of graduates, but also by a higher percentage of secondary graduates pursuing advanced training. The state systems of postsecondary education are historically and presently dependent upon state appropriation and student tuition for their financial support, with the state underwriting the majority of the costs.

The period of 1960-76 saw dramatic shifts in state budgets to meet the needs of elementary, secondary, and postsecondary education. In 1975-76 almost 45 million students were enrolled in American public elementary and secondary schools, and expenditures of public monies exceeded $67 billion. Public higher education had an enrollment of nine million and expenditures of $30 billion.[6] At the elementary and secondary levels, more state funding was needed to relieve property taxes, to equalize educational opportunity, and to accommodate enrollment increases. At the postsecondary level more state funding was needed to accommodate increases and to expand educational opportunities.

## Purpose of the Study

This study focuses on the financing of education by state governments for the period 1960-76, a period unequaled in the history of state funding of education. Primary emphasis is placed upon state appropriations for education in Iowa.

The specific purpose of this study is to analyze general appropriations in Iowa between 1960-76 and to compare Iowa's appropriations with other states'. This study focuses primarily upon state appropriations for elementary, secondary, and postsecondary education.

This study addresses the following broad questions:

1. What major changes in appropriations occurred among six categories in Iowa between 1960-76?
2. What major changes in Iowa's educational appropriations occurred between 1960-76?
3. How does Iowa compare with other states in appropriations for education and in ability and effort to support education for the period 1960-76?
4. What conclusions can be drawn from answers to the three previous questions?

## Organization of Findings

The findings of this study are presented under topical chapter headings:

| *Chapter* | *Topic* |
|---|---|
| 2 | Changes in Iowa Appropriations by State Program Category 1960-76 |
| 3 | Changes in Iowa Appropriations for Education 1960-76 |
| 4 | A Comparison of Iowa with Other States in Appropriations for Education and in Ability and Effort to Support Education 1960-76 |
| 5 | Summary of Findings |

*Table 1.1–Source of School Revenue by Level of Government*
*(in millions of dollars)*
*for All States*

| Year | Federal | | State | | Local | |
|---|---|---|---|---|---|---|
| | Amt. | % | Amt. | % | Amt. | % |
| 1929-30 | 7 | 0.3 | 354 | 17.0 | 1728 | 82.7 |
| 1939-40 | 40 | 1.8 | 685 | 30.3 | 1536 | 67.9 |
| 1949-50 | 156 | 2.9 | 2116 | 39.8 | 3115 | 57.3 |
| 1959-60 | 649 | 4.4 | 5766 | 39.1 | 8332 | 56.5 |
| 1972-73 | 4011 | 7.7 | 21277 | 41.0 | 26568 | 51.3 |

# CHAPTER 2—CHANGES IN IOWA'S APPROPRIATIONS BY STATE PROGRAM CATEGORY, 1960-76

The study of changes in Iowa appropriations by state program category required placing 1960-76 appropriations into six uniform program categories which are utilized currently in Iowa for budgeting and reporting: (1) Transportation and Law Enforcement, (2) State Departments, (3) Human Resources, (4) Natural Resources, (5) Tax Credits, and (6) Education.

The separate bureaus, commissions, departments, and offices comprising each of the six categories are reported in Appendix A of this study. The reader will find it valuable to consult Appendix A for a comprehensive understanding of the individual programs and state functions comprising the major categories.

## A Synopsis

Between 1960 and 1976, state appropriations in Iowa grew from $171.4 million to over $1.3 billion, an increase of 1059%.

Table 2.1, "State of Iowa, Comparative Annual Appropriations, by Program Category, 1960-77," reports the dollar appropriations currently reported and budgeted by each of the six major program categories. Three yearly amounts are reported for each program category: (1) salaries, support, and maintenance, (2) capital, and (3) total. When examining Table 2.1, note that biennial appropriations were made by the Iowa legislature until fiscal 1972, when annual appropriations began. The reader is cautioned to remember that for reporting purposes biennial appropriations were divided equally between the two years, while in practice more money was expended in the second year of each biennium to meet salary raises and other increased needs.

A graphic presentation of the dollar increases in appropriations by program category may be observed by inspecting Figure 2.1, "Dollar Appropriations by Program Category, State of Iowa, 1960-77." Figure

2.1 provides a quick overview of each program category's position relative to the other program categories vis-a-vis dollar appropriated.

Table 2.2, "Percentage of Total Appropriation to Each Program Category, 1960-76," reports the percentage of total state appropriations for each of the six major programs. Three percentages are reported for each year: (1) salaries, support, and maintenance, (2) capital, and (3) total. The cautions noted above apply in examining Table 2.2. The percentage comparison of total appropriation to each program category, 1960-76, contained in Table 2.2, is presented in bar graphs for selected four-year intervals in Figure 2.2.

In the following sections, changes in state appropriations for each of the six program categories are reviewed.

### State Departments

The activities included under this category are annotated in Appendix A.

Between 1960 and 1976, appropriations for state departments in Iowa increased tenfold, from $7.45 million to $72.14 million.

In fiscal 1961, state departments claimed 4.3% of state appropriations, their lowest share for the 17 years studied. The highest share of state appropriations occurred in fiscal years 1966 and 1967, when 8.3% of state appropriations went to state departments.

### Education

The major units in the program category Education include: Aid to School Districts, Merged Areas (Community Colleges), Board of Regents, and Department of Public Instruction. For a detailed history of the units included in the program category Education see Appendix A.

Education received the largest appropriation of the six program categories for the period 1960-76. Appropriations increased from $70.7 million in fiscal 1961 to $654.9 million in 1977, over a ninefold increase. Education's share of state appropriations increased from 41.3% in fiscal 1961 to 49.8% in fiscal 1977.

Several statistics of interest relative to appropriations for education can be derived from Table 2.2. While education increased its claim

of state appropriations from 41.2% in fiscal 1960 to 49.8% in fiscal 1977, a dramatic decrease occurred between fiscal 1975 and 1977, when the share of state appropriations for education was reduced from 54% to 49.8%. Appropriations for capital expenditures for education dropped from 4.8% of the state appropriation in fiscal 1960 to 1.1% in fiscal 1977. (The almost exclusive recipient of capital appropriation for education has been the State Board of Regents.) Capital appropriations for education were reduced from 4.6% in the 1968-69 biennium to 0.7% in the 1970-71 biennium. This significant reduction occurred in the biennium following the large increased funding for public school districts under a new state foundation program (see Chapter 3 for details).

**Human Resources**

The major units included in this category are the Department of Social Services and the Department of Health. For a detailed listing of the units included under the category Human Resources see Appendix A.

Appropriations for Human Resources increased from $42.5 million in fiscal 1961 to $232.7 million in fiscal 1977, an increase of 448%.

From Table 2.2 it can be noted that Human Resources' share of state appropriations declined from 24.8% in fiscal 1961 to 17.7% in fiscal 1977. The greatest reduction in the percentage of the state's budget appropriated for Human Resources occurred between fiscal 1967 and 1968, when the share dropped from 20.6% to 15.8%. In fiscal 1973, state appropriations to this category fell to a low of 14.8%.

**Transportation and Law Enforcement**

The category Transportation and Law Enforcement is comprised of the departments of Public Defense, Public Safety, Transportation, the Commerce Commission, Crime Commission, and the Academy for Law Enforcement.

State appropriations for Transportation and Law Enforcement increased from $6.3 million in fiscal 1961 to $27.7 million in fiscal 1977. This category received only 2.1% of state appropriations in fiscal 1977 compared with 3.7% in fiscal 1961. The most dramatic change in appropriations for this program occurred between fiscal 1967 and 1968,

when the program's share of state appropriations dropped from 3.2% to 2.2%, and the budget was increased by only $1.8 million for salaries, support, and maintenance, while the state budget was increased by over $212 million.

### Natural Resources

Major units within this category include the Department of Agriculture, Conservation Commission, Development Commission, Department of Environmental Quality, and Natural Resources Council. For a detailed listing of units in this category see Appendix A.

Appropriations for the program category Natural Resources increased from $3.5 million in fiscal 1961 to $19.3 million in fiscal 1977. The share of state appropriations received by this program category has ranged from a high of 2.8% in fiscal 1975 (capital accounting for the increase) to a low of 1.3% in fiscal 1970 and 1971. Between fiscal 1961 and 1977, the share of state appropriations has dropped from 2.1% to 1.5%.

### Tax Credits and Aids

For a detailed listing of the organizations and activities included in this category see Appendix A.

Appropriations for programs under this category ranged from $41 million in fiscal 1961 to $307 million in fiscal 1977. This category received 23.9% of the state's appropriations in fiscal 1961 and 23.4% in fiscal 1977. The percentage range in this program category has been from a high of 23.9% in fiscal 1961 to a low of 18.8% in fiscal 1966 and 1967.

### Summary

Two of the six program categories, State Departments and Education, increased their percentage share of total state appropriations between fiscal 1961 and 1977—State Departments by 1.2%, Education by 8.5%. The other four program categories, Human Resources, Transportation and Law Enforcement, Natural Resources, and Tax Credits and Aids, decreased their budgets by 7.1%, 1.7%, 0.6%, and 0.5% respectively.

*Table 2.1–State of Iowa, Comparative Annual Appropriations, 1960-65*

| | FYE 1960 | FYE 1961 | FYE 1962 | FYE 1963 | FYE 1964 | FYE 1965 |
|---|---|---|---|---|---|---|
| State Departments | 6,995,009 | 6,995,009 | 10,929,790 | 10,929,790 | 14,198,109 | 14,198,109 |
| CAPITAL | 451,250 | 451,250 | 95,300 | 95,300 | 186,000 | 186,000 |
| Total State Departments | 7,446,259 | 7,446,259 | 11,025,090 | 11,025,090 | 14,384,109 | 14,384,109 |
| Education | 62,406,520 | 62,406,520 | 73,553,950 | 73,553,950 | 82,241,710 | 82,241,710 |
| CAPITAL | 8,248,665 | 8,248,665 | 10,473,720 | 10,473,720 | 8,000,000 | 8,000,000 |
| Total–Education | 70,655,185 | 70,655,185 | 84,027,670 | 84,027,670 | 90,241,710 | 90,241,710 |
| Human Resources | 39,885,520 | 39,885,520 | 41,598,800 | 41,598,800 | 43,938,795 | 43,938,795 |
| CAPITAL | 2,581,727 | 2,581,727 | 3,247,600 | 3,247,600 | 2,640,900 | 2,640,900 |
| Total–Human Resources | 42,467,247 | 42,467,247 | 44,846,400 | 44,846,400 | 46,579,695 | 46,579,695 |
| Transportation & Law Enforcement | 5,990,650 | 5,990,650 | 6,273,460 | 6,273,460 | 6,667,470 | 6,667,470 |
| CAPITAL | 317,775 | 317,775 | 113,125 | 113,125 | 306,500 | 306,500 |
| Total–Trans. & Law Enforcement | 6,308,425 | 6,308,425 | 6,386,585 | 6,386,585 | 6,973,970 | 6,973,970 |
| Natural Resources | 2,789,335 | 2,789,335 | 3,234,570 | 3,234,570 | 3,497,260 | 3,497,260 |
| CAPITAL | 758,825 | 758,825 | 1,172,625 | 1,172,625 | 886,930 | 886,930 |
| Total–Natural Resources | 3,548,160 | 3,548,160 | 4,407,195 | 4,407,195 | 4,384,190 | 4,384,190 |
| Misc. Tax Credits & Aids | 40,962,500 | 40,962,500 | 42,962,500 | 42,962,500 | 45,452,500 | 45,452,500 |
| CAPITAL | – 0 – | – 0 – | 250,000 | 250,000 | – 0 – | – 0 – |
| Total–Misc. Tax Cr. & Aids | 40,962,500 | 40,962,500 | 43,212,500 | 43,212,500 | 45,452,500 | 45,452,500 |
| Total Appropriations | 171,387,776 | 171,387,776 | 193,905,440 | 193,905,440 | 208,016,174 | 208,016,174 |

*Table 2.1—State of Iowa, Comparative Annual Appropriations, 1966-71*

| | FYE 1966 | FYE 1967 | FYE 1968 | FYE 1969 | FYE 1970 | FYE 1971 |
|---|---|---|---|---|---|---|
| State Departments | 19,115,333 | 19,115,333 | 23,777,556 | 23,779,306 | 26,754,759 | 26,754,759 |
| CAPITAL | 3,311,750 | 3,311,750 | 1,476,565 | 1,476,565 | 345,000 | 345,000 |
| Total State Departments | 22,427,083 | 22,427,083 | 25,254,121 | 25,255,871 | 27,099,759 | 27,099,759 |
| Education | 113,187,980 | 113,187,980 | 228,322,162 | 228,322,162 | 272,374,170 | 272,374,170 |
| CAPITAL | 13,575,000 | 13,575,000 | 22,325,000 | 22,325,000 | 3,927,500 | 3,927,500 |
| Total—Education | 126,762,980 | 126,762,980 | 250,647,162 | 250,647,162 | 276,301,670 | 276,301,670 |
| Human Resources | 52,854,355 | 52,854,355 | 71,935,320 | 71,935,320 | 88,037,617 | 88,037,617 |
| CAPITAL | 2,959,500 | 2,959,500 | 4,512,000 | 4,512,000 | (517,207) | (517,207) |
| Total—Human Resources | 55,813,855 | 55,813,855 | 76,447,342 | 76,447,342 | 87,520,410 | 87,520,410 |
| Transportation & Law Enforcement | 8,478,012 | 8,478,012 | 10,277,095 | 10,277,095 | 11,873,264 | 11,873,264 |
| CAPITAL | 190,000 | 190,000 | 397,800 | 397,800 | 146,500 | 146,500 |
| Total—Trans. & Law Enforcement | 8,668,012 | 8,668,012 | 10,674,895 | 10,674,895 | 12,019,764 | 12,019,764 |
| Natural Resources | 4,781,680 | 4,781,680 | 6,327,490 | 6,327,490 | 6,642,670 | 6,642,670 |
| CAPITAL | 1,422,615 | 1,422,615 | 4,133,750 | 4,133,750 | 277,500 | 277,500 |
| Total—Natural Resources | 6,204,295 | 6,204,295 | 10,461,240 | 10,461,240 | 6,920,170 | 6,920,170 |
| Misc. Tax Credits & Aids | 51,203,500 | 51,203,500 | 109,697,013 | 109,697,013 | 118,003,500 | 118,003,500 |
| CAPITAL | — 0 — | — 0 — | — 0 — | — 0 — | — 0 — | — 0 — |
| Total—Misc. Tax Cr. & Aids | 51,203,500 | 51,203,500 | 109,697,013 | 109,697,013 | 118,003,500 | 118,003,500 |
| Total Appropriations | 271,079,725 | 271,079,725 | 483,182,980 | 483,182,980 | 527,865,273 | 527,865,273 |

*Table 2.1–State of Iowa, Comparative Annual Appropriations, 1972-77*

| | FYE 1972 | FYE 1973 | FYE 1974 | FYE 1975 | FYE 1976 | FYE 1977 |
|---|---|---|---|---|---|---|
| State Departments | 28,602,122 | 32,691,817 | 38,345,964 | 44,050,967 | 60,906,285 | 71,008,946 |
| CAPITAL | 1,080,000 | 150,000 | 6,421,750 | 16,082,500 | 6,573,657 | 1,135,900 |
| Total State Departments | 29,682,122 | 32,841,817 | 44,767,714 | 60,133,469 | 67,479,942 | 72,144,846 |
| Education | 325,579,791 | 361,032,306 | 444,624,788* | 501,141,220* | 615,958,843 | 640,047,019 |
| CAPITAL | 8,403,417 | 810,000 | 16,228,200 | 19,834,000 | 9,066,500 | 14,893,000 |
| Total–Education | 333,983,208 | 361,842,306 | 460,852,988 | 520,975,220 | 625,025,343 | 654,940,019 |
| Human Resources | 96,512,612 | 98,997,877 | 124,587,523 | 145,935,658 | 196,147,836 | 221,190,193 |
| CAPITAL | 3,000,000 | – 0 – | 5,200,000 | 1,900,000 | 2,000,000 | 11,550,000 |
| Total–Human Resources | 99,512,612 | 98,997,877 | 129,787,523 | 147,835,658 | 198,147,836 | 232,740,193 |
| Transportation & Law Enforcement | 14,994,686 | 13,981,839 | 17,987,363 | 20,434,492 | 24,735,291 | 27,099,837 |
| CAPITAL | 680,000 | 128,260 | 716,750 | 1,484,500 | 1,091,000 | 577,000 |
| Total–Trans. & Law Enforcement | 15,674,686 | 14,110,099 | 18,704,113 | 21,918,992 | 25,826,291 | 27,676,837 |
| Natural Resources | 7,780,717 | 7,885,166 | 11,798,196 | 16,363,706 | 14,803,003 | 15,347,245 |
| CAPITAL | 895,000 | 1,376,360 | 5,570,800 | 10,450,000 | 4,200,000 | 4,000,000 |
| Total–Natural Resources | 8,675,717 | 9,261,526 | 17,368,996 | 26,813,706 | 19,003,003 | 19,347,245 |
| Misc. Tax Credits & Aids | 130,438,747 | 151,328,500 | 181,831,782 | 184,742,888 | 222,465,426 | 307,273,632 |
| CAPITAL | – 0 – | – 0 – | – 0 – | – 0 – | – 0 – | – 0 – |
| Total–Misc. Tax Cr. & Aids | 130,438,747 | 151,328,500 | 181,831,782 | 184,742,888 | 222,465,426 | 307,273,632 |
| Total Appropriations | 617,967,092 | 668,382,125 | 853,313,116* | 962,419,933* | 1,157,947,841 | 1,314,122,722 |

*Note: FYE 1974 includes 24,000,000 Vietnam Veteran's Bonus
FYE 1975 includes 7,000,000 Vietnam Veteran's Bonus

Sources: State of Iowa Budget Reports and *Budget in Brief 1977-79* Published by Office of the State Comptroller.

*Figure 2.1–Dollar Appropriations by Program Category, State of Iowa, 1960-77*

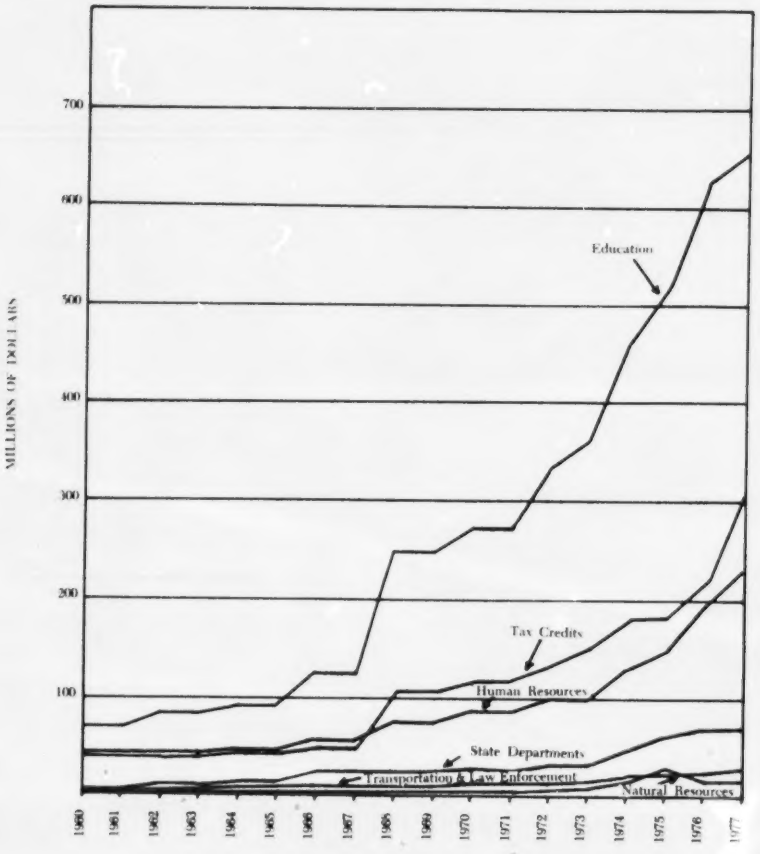
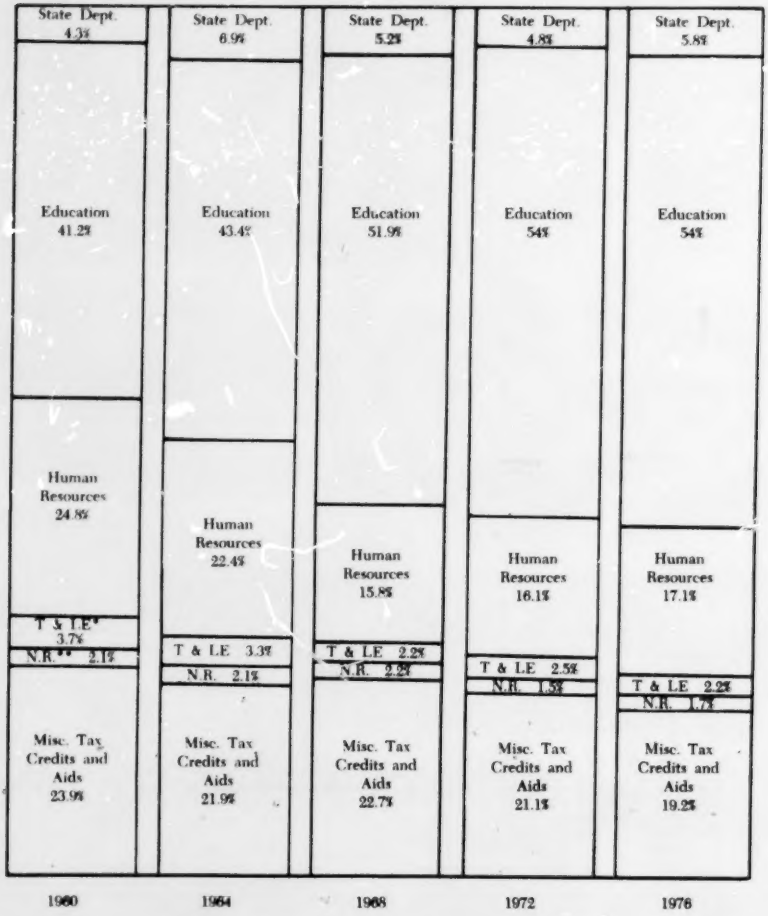


*Table 2.2–Percentage of Total Appropriation to Each Governmental Program, State of Iowa, 1960-77*

| | 1960 | 1961 | 1962 | 1963 | 1964 | 1965 | 1966 | 1967 | 1968 | 1969 | 1970 | 1971 | 1972 | 1973 | 1974 | 1975 | 1976 | 1977 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| *State Depts.* | 4.3 | 4.3 | 5.7 | 5.7 | 6.9 | 6.9 | 8.3 | 8.3 | 5.2 | 5.2 | 5.1 | 5.1 | 4.8 | 4.9 | 5.3 | 6.2 | 5.8 | 5.5 |
| SS & M* | 4.1 | 4.1 | 5.6 | 5.6 | 6.8 | 6.8 | 7.1 | 7.1 | 4.9 | 4.9 | 5.0 | 5.0 | 4.6 | 4.9 | 4.6 | 4.6 | 5.3 | 5.4 |
| Capital | 0.2 | 0.2 | 0.1 | 0.1 | 0.1 | 0.1 | 1.2 | 1.2 | 0.3 | 0.3 | 0.1 | 0.1 | 0.2 | 0 | 0.7 | 1.6 | 0.5 | 0.1 |
| *Education* | 41.2 | 41.2 | 43.3 | 43.3 | 43.4 | 43.4 | 48.8 | 46.8 | 51.9 | 51.9 | 52.3 | 52.3 | 54.0 | 54.1 | 54.0 | 54.1 | 54.0 | 49.8 |
| SS & M* | 36.4 | 36.4 | 37.9 | 37.9 | 39.6 | 39.6 | 41.8 | 41.8 | 47.3 | 47.3 | 51.6 | 51.6 | 52.7 | 54.0 | 52.1 | 52.1 | 53.2 | 48.7 |
| Capital | 4.8 | 4.8 | 5.4 | 5.4 | 3.8 | 3.8 | 5.0 | 5.0 | 4.6 | 4.6 | 0.7 | 0.7 | 1.3 | 0.1 | 1.9 | 2.0 | 0.8 | 1.1 |
| *Human Resources* | 24.8 | 24.8 | 23.1 | 23.1 | 22.4 | 22.4 | 20.6 | 20.6 | 15.8 | 15.8 | 16.6 | 16.6 | 16.1 | 14.8 | 15.2 | 15.4 | 17.1 | 17.7 |
| SS & M* | 23.3 | 23.3 | 21.4 | 21.4 | 21.1 | 21.1 | 19.5 | 19.5 | 14.9 | 14.9 | 16.6 | 16.6 | 15.6 | 14.8 | 14.6 | 15.3 | 16.9 | 16.8 |
| Capital | 1.5 | 1.5 | 1.7 | 1.7 | 1.3 | 1.3 | 1.1 | 1.1 | 0.9 | 0.9 | 0 | 0 | 0.5 | 0 | 0.6 | 0.2 | 0.2 | 0.9 |
| *Trans. & Law Enf.* | 3.7 | 3.7 | 3.3 | 3.3 | 3.3 | 3.3 | 3.2 | 3.2 | 2.2 | 2.2 | 2.3 | 2.3 | 2.5 | 2.1 | 2.2 | 2.3 | 2.2 | 2.1 |
| SS & M* | 3.5 | 3.5 | 3.2 | 3.2 | 3.2 | 3.2 | 3.1 | 3.1 | 2.1 | 2.1 | 2.2 | 2.2 | 2.4 | 2.1 | 2.1 | 2.1 | 2.1 | 2.1 |
| Capital | 0.2 | 0.2 | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 | 0 | 0.1 | 0.2 | 0.1 | 0 |
| *Natural Resources* | 2.1 | 2.1 | 2.3 | 2.3 | 2.1 | 2.1 | 2.3 | 2.3 | 2.2 | 2.2 | 1.3 | 1.3 | 1.5 | 1.4 | 2.0 | 2.8 | 1.7 | 1.5 |
| SS & M* | 1.6 | 1.6 | 1.7 | 1.7 | 1.7 | 1.7 | 1.8 | 1.8 | 1.3 | 1.3 | 1.2 | 1.2 | 1.4 | 1.2 | 1.4 | 1.7 | 1.3 | 1.2 |
| Capital | 0.5 | 0.5 | 0.6 | 0.6 | 0.4 | 0.4 | 0.5 | 0.5 | 0.9 | 0.9 | 0.1 | 0.1 | 0.1 | 0.2 | 0.6 | 1.1 | 0.4 | 0.3 |
| *Tax Credits & Aids* | 23.9 | 23.9 | 22.3 | 22.3 | 21.9 | 21.9 | 18.8 | 18.8 | 22.7 | 22.7 | 22.4 | 22.4 | 21.1 | 22.7 | 21.3 | 19.2 | 19.2 | 23.4 |
| SS & M* | 23.9 | 23.9 | 22.3 | 22.3 | 21.9 | 21.9 | 18.8 | 18.8 | 22.7 | 22.7 | 22.4 | 22.4 | 21.1 | 22.7 | 21.3 | 19.2 | 19.2 | 23.4 |
| Capital | 0 | 0 | 0.1 | 0.1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| TOTAL | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 |

*SS & M: Salaries, Support, and Maintenance

*Figure 2.2–Percentage of Appropriations to Each Governmental Program, State of Iowa, Selected Years 1960-76*




*T & LE–Transportation and Law Enforcement
**N.R.–Natural Resources

# CHAPTER 3—CHANGES IN IOWA'S APPROPRIATIONS FOR EDUCATION, 1960-76

This study of changes in Iowa appropriations for education in 1960-76 focuses mainly on public school districts, Board of Regents institutions, and area schools. Many bureaus, commissions, departments, and offices receive state educational appropriations but lie outside of immediate areas of focus; they have been consolidated in a category titled "Other." The reader will find it valuable to consult Appendix A for a complete list of individual programs and functions comprising each of the four major categories.

## A Synopsis

During the period 1960-76 state appropriations for education increased from $70.6 million to over $654.9 million, an increase of 826%. This increase is more remarkable when one recalls that total state appropriations increased 659% during the same period. Thus, education, as a recipient of a share of state appropriations, has enhanced its relative position with respect to the other five program categories discussed in Chapter 2.

Table 3.1, "Dollar Appropriations to Educational Programs, State of Iowa, 1960-76," reports the amount of state aid distributed within the four categories mentioned previously, public school districts, Board of Regents schools, area schools, and others. In addition, a compilation of the four is reported as a total. When examining Table 3.1, note, as in Table 2.1 of Chapter 2, that biennial appropriations were divided equally between the first and second year of the biennium even though expenditures were actually higher during the second year of the biennium. For the fiscal year ending 1972 and thereafter appropriations were annual.

A graphic presentation of the "Dollar Appropriations to Educational Programs, State of Iowa, 1960-77" for public school districts, Board of Regents and area schools is presented in Figure 3.1, which

provides a quick overview of these three categories. A dramatic shift in percentage of appropriations distributed to public school districts and to the Board of Regents occurred in fiscal 1968, a result of the passage of House File 686 by the Sixty-Second General Assembly. This bill shifted funding for public schools from local property tax to shared funding, that is, state appropriations and local revenue.

Figure 3.2, "Percentage of Education Appropriations to Each Educational Program, State of Iowa, 1960-76," reports at four-year intervals the percentage of the total state appropriation distributed to each of the four categories. Again, the reader is cautioned that the data must be viewed in total context. That is, public school funding was shifted from dependence upon local property taxes to dependence upon state appropriations.

Even though state appropriations replaced property taxes in the late 1960s, the changes in percentage of state appropriations for educational purposes between the Board of Regents and public school districts are dramatic. The Board of Regents' share of appropriations for education in 1960 was 63.6%; by 1976 the share had plummeted to 26.5%. During the same period, school districts increased their share of appropriations for education from 34% to 63% (see Figure 3.2).

It should be noted also from Figure 3.2 that the area schools, a new state education delivery system to provide postsecondary instruction for vocational, adult, and transfer students, claimed 5.2% of the educational appropriations in 1968 and in 1976. While the area schools provide lower division education programs (freshman and sophomore), the number of students enrolled does not appear to have significantly reduced enrollment in the regents universities.

Figure 3.3 is another view of state appropriations for education. In this graphic presentation the fiscal year ending 1960 is the base, and the percentage growth in appropriations is plotted for succeeding years. Figure 3.3 reveals not only that the dollar value of educational appropriations expanded rapidly, but also that the rate of growth expanded faster for public school districts than for the Board of Regents. If the legislature intended to reduce reliance on property taxes to support public schools, it is fulfilling its intent. Figure 3.3 reflects increased state support, but does not represent growth in total school expenditures; state appropriations only are reported.

Although this study has focused primarily on changes in Iowa appropriations for education, 1960-76, it acquires additional significance when considered concurrently with enrollment changes in the public

schools and State Board of Regents universities between 1960-76. Figure 3.4 is a graphic presentation of these enrollment changes. Again as in Figure 3.3, it is a charting of comparative indices, and the graph illustrates the relative rate of enrollment change between the regents universities and the public schools. While the public school enrollments have followed a rather symmetrical growth and decline curve, the regents universities experienced rapid growth in enrollments followed by a small decline, and are now experiencing again substantial enrollment growth.

Table 3.2, "Actual Enrollment in Regents Universities, State of Iowa, 1960-61/1976-77," is a tabular presentation of the head count as of November 1 of each school year. For the period 1960-76, enrollment in regents universities more than doubled. In 1960-61 the head count was 24,455, and in 1976-77 the comparable figure was 53,923—an increase of 120%.

Table 3.3, "Actual Enrollment in Local School Districts, State of Iowa, 1960-61/1976-77," is a tabular presentation of public school enrollment. The public school enrollments increased from 577,753 in 1960-61 to 659,888 in 1969-70, approximately a 14% increase. The public school enrollments peaked in 1969-70; since then, enrollments have declined to 603,596 in 1976-77. In 1976-77 enrollment was 25,843 more than in 1960-61, approximately a 4% increase. While public schools have had to deal with a numerically larger increase and decrease in student enrollments, the Board of Regents has had to provide for a far greater percentage increase—120%.

Figure 3.5 depicts the rate of growth in per pupil expenditures for both the public school districts and regents universities. The reader is cautioned that the rate of change is depicted with a base year equaling 100.

Table 3.4 presents "Expenditures Per Student in Actual and Constant Dollars, State Board of Regents Universities, State of Iowa, 1960-76." This table also includes percentage increases and an index of increase in both actual and constant dollars. Comparable data for local public school districts is presented in Table 3.5. Both tables are illuminating. In Table 3.4 it is interesting to note that while per student expenditures in regents universities increased from $1,286 to $3,147 between 1960-61 and 1975-76, the increase in constant dollars (taking into account the reduced purchasing powers of the dollar) was approximately 32%. The corresponding change in general fund expenditures expressed on a per pupil basis for local public school districts

ranges from a low of $378 in 1960-61 to a high of $1,403 in 1975-76. These expenditures, when converted to constant dollars, amount to a 100% increase in expenditures per pupil over the 16-year period.

The final set of data pertinent to changes in state appropriations is presented in Table 3.6, "Per Capita Personal Income in Actual and Constant Dollars, State of Iowa, 1960-76." Table 3.6 represents changes in the ability of Iowans to support state programs including education. As per capita income increases, so, seemingly, does ability to support education. When per capita income increases, and the percentage of per capita income going to education remains constant, more dollars are generated.

Iowans' per capita income in actual dollars increased from $1,983 in 1960 to $6,439 in 1976. Although this figure seemingly indicates a 225% increase, constant dollar expenditures rose 100% versus constant per capita income of 67%. The increase in per pupil expenditures for regents universities has fallen behind increases in per capita income: actual dollar expenditures rose 145% versus actual per capita income of 225%, and constant dollar expenditures rose 32% versus constant per capita income of 67%.

## Summary

Increases in appropriations to educational programs in Iowa increased markedly between 1960 and 1976. State appropriations replaced local property taxes as the source of funds for public schools from 1967 to 1976. The position of the Board of Regents contrasted to public school districts relative to percentage of appropriations for education has deteriorated substantially from 1960 to 1976. Public school districts increased their share of state educational appropriations from 34% to 64% between 1960 and 1976. During the same period, state appropriations to the Board of Regents declined from 64% to 27%. Increases in enrollment were considerably greater for regents universities during the period than for local public school districts—120% versus 4%. Enrollment increases continue at the post-high school level, but enrollments are decreasing at the K-12 grade level. The State of Iowa has exerted great economic effort to support public schools during the period 1960-76, when state appropriations rose at a faster rate than per capita income.

State appropriations to meet enrollment increases and to offset

inflation in regents universities have not kept abreast with Iowans' increased ability to support higher education financially, and, in fact, fell to precarious lows during 1960 to 1976. Expenditures per student were increased only 32% in constant dollars, while per capita income (ability) increased 67% in constant dollars during the period. This latter point will be explored more fully in Chapter 4.

*Table 3.1–Dollar Appropriations to Educational Programs (Including Capital), State of Iowa, 1960-77*

| | FYE 1960 | FYE 1961 | FYE 1962 | FYE 1963 | FYE 1964 | FYE 1965 |
|---|---|---|---|---|---|---|
| Public School Districts | 24,029,648 | 24,029,648 | 30,027,03 | 10,929,790 | 30,019,790 | 14,198,109 |
| Board of Regents | 44,904,387 | 44,904,387 | 52,006,660 | 52,006,660 | 58,175,200 | 58,175,200 |
| Area Schools | –0– | –0– | –0– | –0– | –0– | –0– |
| Other | 1,721,150 | 1,721,150 | 1,993,980 | 1,993,980 | 2,046,730 | 2,046,730 |
| Total Appropriations | 70,655,185 | 70,655,185 | 84,027,670 | 84,027,670 | 90,241,710 | 90,241,710 |

| | FYE 1966 | FYE 1967 | FYE 1968 | FYE 1969 | FYE 1970 | FYE 1971 |
|---|---|---|---|---|---|---|
| Public School Districts | 48,065,000 | 48,065,000 | 134,127,183 | 134,127,183 | 164,581,000 | 164,581,000 |
| Board of Regents | 72,756,550 | 72,756,550 | 98,713,500 | 98,713,500 | 95,098,000 | 95,098,000 |
| Area Schools | 3,000,000 | 3,000,000 | 13,000,000 | 13,000,000 | 9,700,000 | 9,700,000 |
| Other | 2,941,430 | 2,941,430 | 4,806,479 | 4,806,479 | 6,922,670 | 6,922,670 |
| Total Appropriations | 126,762,980 | 126,762,980 | 250,647,162 | 250,647,162 | 276,301,670 | 276,301,670 |

| | FYE 1972 | FYE 1973 | FYE 1974 | FYE 1975 | FYE 1976 | FYE 1977 |
|---|---|---|---|---|---|---|
| Public School Districts | 198,524,693 | 228,175,225 | 263,014,645 | 316,569,420 | 399,994,990 | 401,341,929 |
| Board of Regents | 108,350,205 | 104,760,526 | 134,462,175 | 152,942,767 | 165,617,308 | 192,397,761 |
| Area Schools | 17,874,167 | 19,070,000 | 22,516,300 | 27,060,300 | 35,988,200 | 40,283,400 |
| Other | 9,234,143 | 9,836,555 | 40,859,868 | 24,402,733 | 23,424,845 | 20,916,929 |
| Total Appropriations | 333,983,208 | 361,842,306 | 460,852,988 | 520,975,220 | 625,025,343 | 654,940,019 |

Sources: State of Iowa Budget Reports and *Budget in Brief 1977-79*. Published by Office of the State Comptroller.

*Figure 3.1—Dollar Appropriations to Educational Programs, State of Iowa, 1960-77*

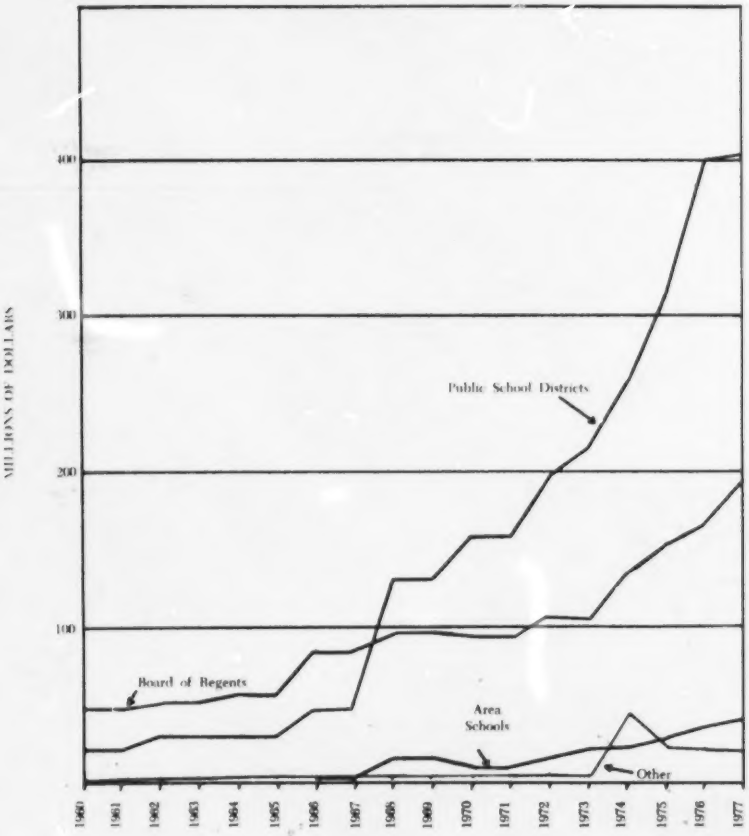


*Figure 3.2—Percentage of Education Appropriations to Each Educational Program, State of Iowa, 1960-76*

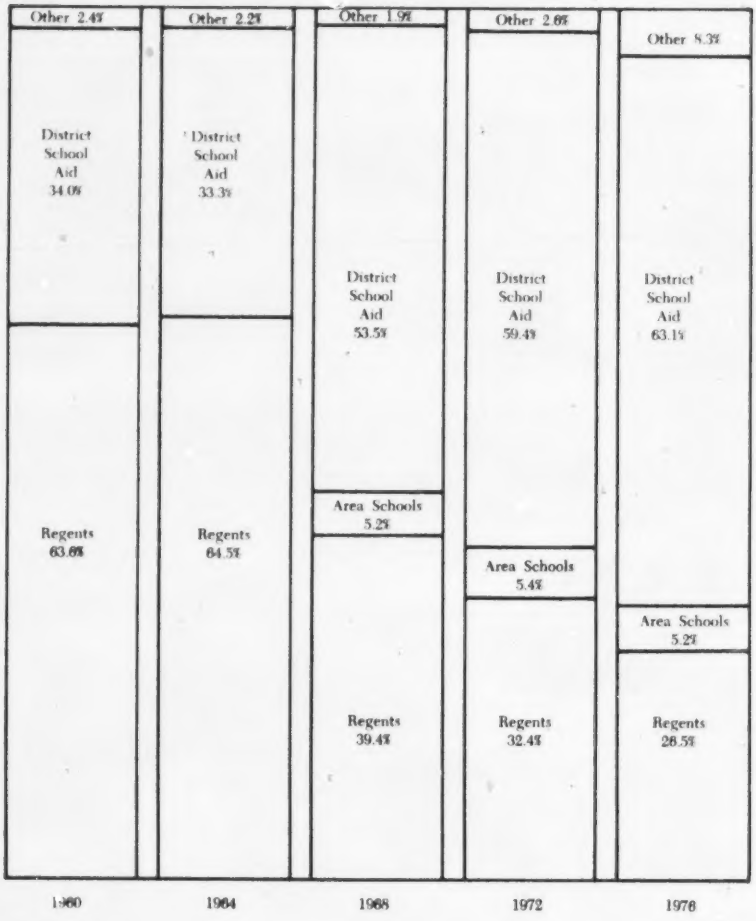


*Figure 3.3—Comparative Indices of Appropriations to State Board of Regents and Local School Districts, State of Iowa, 1960-77*

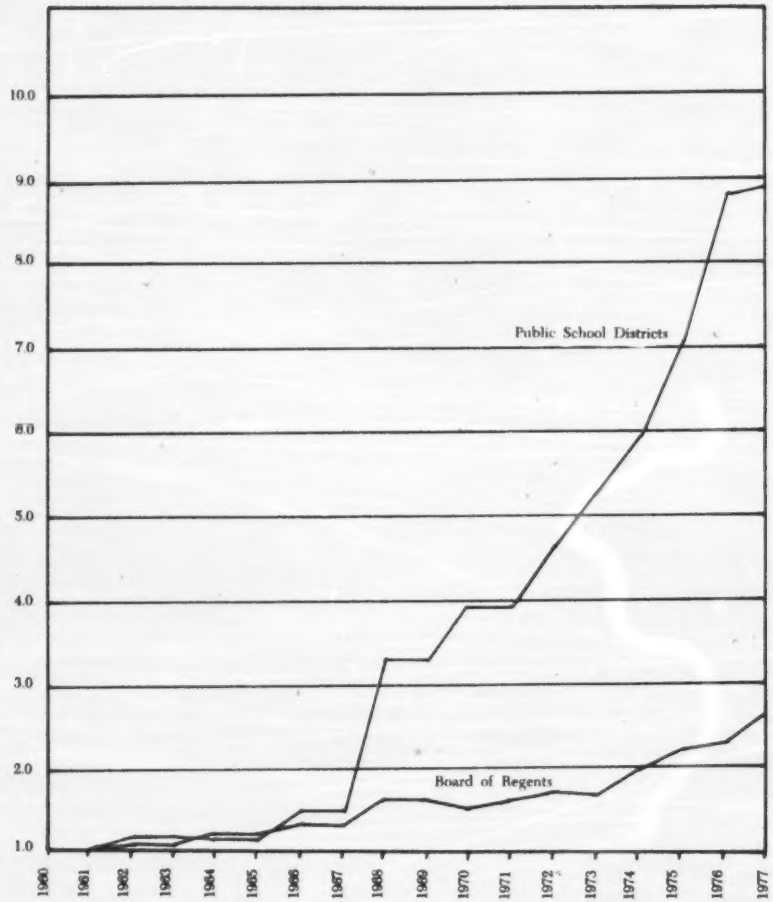


*Figure 3.4–Comparative Indices of Enrollment Growth in Local School Districts and State Board of Regents Universities, State of Iowa, 1960-76*

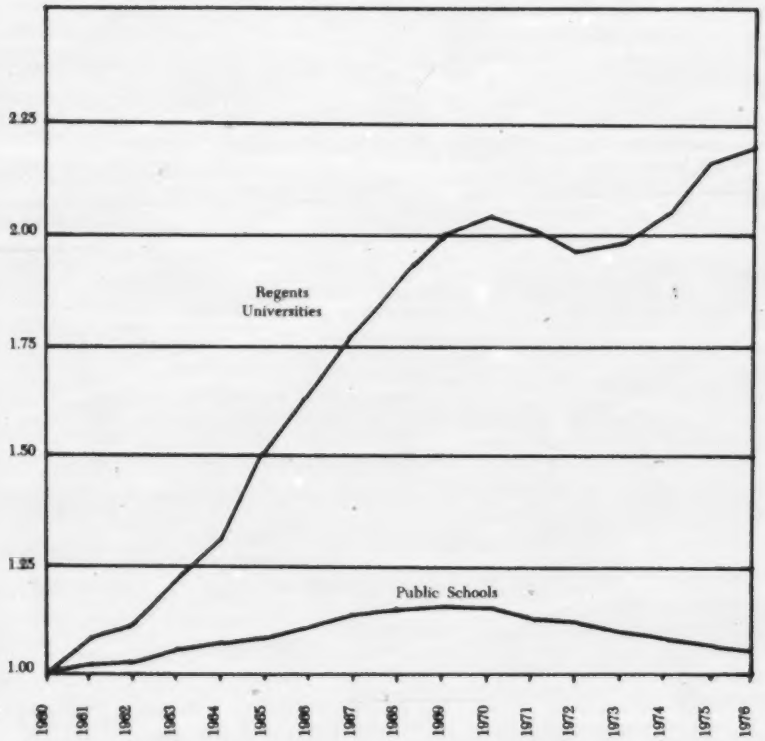


*Table 3.2—Actual Enrollment in Regents Universities (Head count as of November 1), State of Iowa, 1960-61/1976-77*

| School Year | SUI | ISU | UNI | Total | Base Year 1960-61 = 100 |
|---|---|---|---|---|---|
| 1960-61 | 11,113 | 9,726 | 3,616 | 24,455 | 100 |
| 1961-62 | 11,701 | 10,413 | 4,061 | 26,175 | 107 |
| 1962-63 | 12,114 | 10,887 | 4,572 | 27,573 | 113 |
| 1963-64 | 12,923 | 11,517 | 5,147 | 29,587 | 121 |
| 1964-65 | 14,480 | 12,451 | 5,508 | 32,436 | 133 |
| 1965-66 | 16,355 | 14,014 | 6,401 | 36,770 | 150 |
| 1966-67 | 17,755 | 15,183 | 7,418 | 40,356 | 165 |
| 1967-68 | 18,659 | 16,841 | 8,239 | 43,793 | 179 |
| 1968-69 | 19,506 | 18,083 | 9,076 | 46,665 | 191 |
| 1969-70 | 20,236 | 19,172 | 9,496 | 48,904 | 200 |
| 1970-71 | 20,604 | 19,620 | 9,741 | 49,965 | 204 |
| 1971-72 | 20,387 | 10,274 | 9,605 | 49,266 | 201 |
| 1972-73 | 20,052 | 19,206 | 8,845 | 48,103 | 197 |
| 1973-74 | 20,528 | 10,267 | 8,858 | 48,653 | 199 |
| 1974-75 | 21,271 | 19,914 | 8,690 | 49,875 | 204 |
| 1975-76 | 22,512 | 21,205 | 9,287 | 53,004 | 217 |
| 1976-77 | 22,393 | 21,831 | 9,699 | 53,923 | 220 |

*Table 3.3—Actual Enrollment in Local School Districts, State of Iowa, 1960-76*

| School Year | Enrollment | Index Base Year 1960-61 (computed) |
|---|---|---|
| I. Actual | | |
| 1960-61 | 577,735 | 100 |
| 1961-62 | 589,499 | 102 |
| 1962-63 | 597,838 | 103 |
| 1963-64 | 607,823 | 105 |
| 1964-65 | 620,425 | 107 |
| 1965-66 | 625,346 | 108 |
| 1966-67 | 638,066 | 110 |
| 1967-68 | 653,139 | 113 |
| 1968-69 | 657,936 | 114 |
| 1969-70 | 659,888 | 114 |
| 1970-71 | 659,576 | 114 |
| 1971-72 | 652,529 | 113 |
| 1972-73 | 645,947 | 112 |
| 1973-74 | 630,722 | 109 |
| 1974-75 | 617,080 | 107 |
| 1975-76 | 610,838 | 106 |
| 1976-77 | 603,596 | 104 |

Sources: *Data on Iowa Schools* (1962, 74 and 77 issues). Provided by Department of Public Instruction.

*Figure 3.5—Comparative Indices of Expenditures Per Pupil in State Board of Regents Universities and Local Public School Districts, State of Iowa, 1960-76*

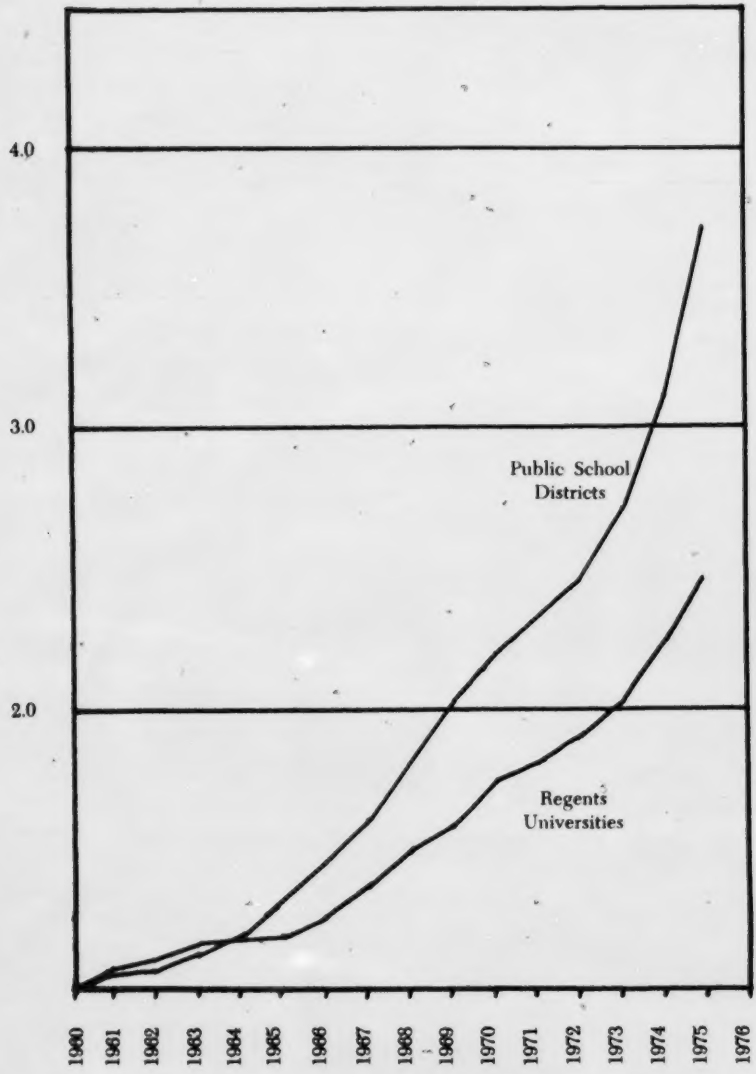


*Table 3.4—Expenditures Per Student in Actual and Constant Dollars, State Board of Regents Universities, State of Iowa, 1960-76*

| FYE | Actual Dollar Expenditure Per Student | Percent Increase | Index Base Yr. 1960 | Constant Dollar Expenditure Per Student | Percent Increase or Decrease | Index Base Yr. 1960 |
|---|---|---|---|---|---|---|
| 1961 | $1,286.87 | ——— | 100 | $1,286.87 | ——— | 100 |
| 1962 | 1,358.32 | 5.55 | 106 | 1,346.34 | 4.62 | 105 |
| 1963 | 1,386.40 | 2.07 | 108 | 1,349.43 | 0.23 | 105 |
| 1964 | 1,468.86 | 5.95 | 114 | 1,408.98 | 4.41 | 109 |
| 1965 | 1,488.87 | 1.36 | 116 | 1,406.19 | -0.20 | 109 |
| 1966 | 1,514.45 | 1.72 | 118 | 1,398.64 | -0.54 | 109 |
| 1967 | 1,586.73 | 4.77 | 123 | 1,419.51 | 1.49 | 110 |
| 1968 | 1,743.07 | 9.85 | 135 | 1,514.79 | 6.71 | 118 |
| 1969 | 1,902.90 | 9.17 | 148 | 1,582.58 | 4.48 | 123 |
| 1970 | 2,009.56 | 5.61 | 156 | 1,582.45 | -0.01 | 123 |
| 1971 | 2,200.70 | 9.51 | 171 | 1,654.16 | 4.53 | 129 |
| 1972 | 2,288.55 | 3.99 | 178 | 1,636.67 | -1.06 | 127 |
| 1973 | 2,414.84 | 5.52 | 188 | 1,658.32 | 1.32 | 129 |
| 1974 | 2,597.90 | 7.58 | 202 | 1,686.18 | 1.68 | 131 |
| 1975 | 2,867.85 | 10.39 | 223 | 1,691.75 | 0.33 | 131 |
| 1976 | 3,147.50 | 9.75 | 245 | 1,698.51 | 0.40 | 132 |

*Table 3.5—Expenditures Per Student in Actual and Constant Dollars, Local Public School Districts, State of Iowa, 1960-76*

| FYE | Actual Dollar Expenditure Per Student | Percent Increase | Index Base Yr. 1960 | Constant Dollar Expenditure Per Student | Percent Increase or Decrease | Index Base Yr. 1960 |
|---|---|---|---|---|---|---|
| 1961 | $ 378.58 | ——— | 100 | $378.58 | ——— | 100 |
| 1962 | 394.01 | 4.08 | 104 | 390.53 | 3.16 | 103 |
| 1963 | 406.08 | 3.06 | 107 | 395.25 | 1.21 | 104 |
| 1964 | 424.36 | 4.50 | 112 | 407.06 | 2.99 | 108 |
| 1965 | 444.95 | 4.85 | 118 | 420.23 | 3.24 | 111 |
| 1966 | 489.91 | 10.10 | 129 | 452.45 | 7.67 | 120 |
| 1967 | 540.51 | 10.33 | 143 | 499.18 | 10.33 | 132 |
| 1968 | 603.46 | 11.65 | 159 | 524.43 | 5.06 | 139 |
| 1969 | 685.83 | 13.65 | 181 | 570.38 | 8.76 | 151 |
| 1970 | 766.31 | 11.73 | 202 | 606.79 | 6.38 | 160 |
| 1971 | 830.93 | 8.43 | 219 | 624.57 | 2.93 | 165 |
| 1972 | 899.30 | 8.23 | 238 | 643.14 | 2.97 | 170 |
| 1973 | 923.72 | 2.72 | 244 | 634.34 | -1.37 | 168 |
| 1974 | 1,022.00 | 10.64 | 270 | 664.88 | 4.81 | 176 |
| 1975 | 1,165.56 | 14.05 | 308 | 687.56 | 3.41 | 182 |
| 1976 | 1,403.08 | 20.38 | 371 | 757.15 | 10.12 | 200 |

*Table 3.6–Per Capita Personal Income in Actual and Constant Dollars, State of Iowa, 1960-76*

| Year | Per Capita Income in Actual Dollars | Percent Increase | Index Base Yr. 1960 | Per Capita Income in Constant Dollars | Percent Increase or Decrease | Index Base Yr. 1960 |
|---|---|---|---|---|---|---|
| 1960 | $1,983 | --- | 100 | $1,983 | --- | 100 |
| 1961 | 2,081 | 4.94 | 105 | 2,063 | 4.03 | 104 |
| 1962 | 2,179 | 4.71 | 110 | 2,120 | 2.76 | 107 |
| 1963 | 2,312 | 6.10 | 117 | 2,218 | 4.62 | 112 |
| 1964 | 2,418 | 4.58 | 122 | 2,284 | 2.98 | 115 |
| 1965 | 2,754 | 13.90 | 139 | 2,543 | 11.34 | 128 |
| 1966 | 3,004 | 9.08 | 151 | 2,687 | 5.66 | 136 |
| 1967 | 3,039 | 1.17 | 153 | 2,641 | -1.71 | 133 |
| 1968 | 3,237 | 6.52 | 163 | 2,692 | 1.93 | 136 |
| 1969 | 3,514 | 8.56 | 177 | 2,782 | 3.34 | 140 |
| 1970 | 3,751 | 6.74 | 189 | 2,891 | 3.92 | 146 |
| 1971 | 3,865 | 3.04 | 195 | 2,764 | -4.39 | 139 |
| 1972 | 4,297 | 11.18 | 217 | 2,951 | 6.77 | 149 |
| 1973 | 5,344 | 24.13 | 269 | 3,469 | 17.55 | 175 |
| 1974 | 5,561 | 4.26 | 280 | 3,280 | -5.45 | 165 |
| 1975 | 6,007 | 8.02 | 303 | 3,279 | -0.03 | 165 |
| 1976 | 6,439 | 7.19 | 325 | 3,305 | 0.79 | 167 |

# CHAPTER 4—COMPARISON OF IOWA WITH OTHER STATES IN APPROPRIATIONS FOR EDUCATION AND IN ABILITY AND EFFORT TO SUPPORT EDUCATION, 1960-76

The preceding chapter focused on major changes in Iowa appropriations for education, 1960-76. This chapter discusses how appropriations for education in Iowa compared with other states for that period. A review of Table 3.1 will remind the reader that a significant shift in Iowa policy occurred in fiscal year ending 1968, when state appropriations for public school districts were increased approximately $86 million, an increase of 180%.

## A Synopsis—Public School Districts

When possible, this chapter provides information for the nation which parallels that given for the State of Iowa in Chapter 3. The reader is cautioned that valid comparisons between data reported in chapters 3 and 4 may be difficult because the 50 states use different accounting and reporting systems. Data in Chapter 3 were based on Iowa's reporting system. Data for all 50 states were obtained from the U.S. Department of Commerce and based on its reporting system. For example, Table 3.1, "Dollar Appropriations to Educational Programs, State of Iowa, 1960-76," does not include homestead credits, agricultural land tax credits, etc. In some states there are limited direct appropriations and the preponderance of school aid might be in the form of tax credits. Table 4.1 lists total state expenditures for higher education as a percentage of education expenditures for selected years 1960-76.

Figure 4.1 is a graphic presentation of "Percentage Increase in Revenue from State Sources to Local Public Elementary and Secondary School Districts in Four-Year Intervals, 1960-76." It is evident from Figure 4.1 that Iowa increased revenues to public school districts from state sources during this period. The revenue received in 1964 was

22.4% greater than that received in 1960, while the national median increase was 40.65%. Iowa's percentage increase during this four-year period ranked forty-fourth among the 50 states; however, the following four-year period, 1964-68, encompassed a dramatic change. Iowa had a 225% increase in 1968 over 1964, and ranked number one nationally in percentage increase of educational appropriations. Since 1968, Iowa's percentage increase surpassed the national median in 1972 and 1976.

Figure 4.1 indicates two aspects of public school financing in Iowa:

1. In fiscal 1968 a shift to greater state support of public school districts took place in Iowa.
2. After increasing the percentage of state support to local school districts in 1968, Iowa has continued to improve its position among the states in support to local school districts. Iowa's percentage increase in appropriations for education has surpassed the national median during each four-year period since 1968.

Figure 4.2, "State Appropriation to Education and to Local Public School Districts in Selected Years, 1960-76," illustrates the dollar and percentage growth in state appropriations to total education and the local school districts. It indicates that Iowa has increased significantly the state appropriations to local school districts in relation to total state educational appropriations, and Figure 4.3 indicates changes in revenue per student that resulted from increases in state support of local school districts.

It is interesting to note that although Iowa had the highest percentage increase in revenue from state sources to public school districts from 1964 to 1968, Iowa changed in rank from forty-seventh to forty-sixth on a dollar basis of state revenue per pupil enrolled. By 1976, Iowa had risen above the national median in revenue per student from state sources to local school districts, ranking twenty-second.

Figure 4.4, "Range of Per Capita Revenue from State Sources to Local Public Elementary and Secondary School Districts in Selected Years, 1960-76," graphically illustrates the magnitude of the per capita state support of education.

Figure 4.5, "Range of Per Capita State Expenditures to Local Public Elementary and Secondary School Districts as a Percent of Per Capita Income, by State, In Selected Years, 1960-76," illustrates that while a larger percentage of per capita income was allotted to

support local school districts (from 0.5% in 1960 to 2.3% in 1976), Iowa continues to fall below the national median, ranking twenty-ninth in 1976.

How did enrollment changes in Iowa's public schools compare with other states during the period 1960-76? The answer is found by analyzing Figure 4.6. It is apparent that Iowa did not experience the high enrollment increases occurring in most states. It is also apparent that Iowa is experiencing a more severe enrollment decline than most states. For example, Iowa ranked forty-sixth nationally in enrollment increases for the period 1960-64; only four states experienced smaller percentage increases in enrollments during these four years. Between 1972 and 1976, only five states experienced percentage enrollment declines greater than Iowa's. The problems associated with this enrollment decline are currently causing consternation among those involved with financing education in Iowa.

## An Overview of Board of Regents Universities

The first section of this chapter dealt with how Iowa public school districts (grades K-12) compared with their counterparts in other states. This section compares postsecondary education institutions in Iowa and their counterparts in other states.

When noting comparisons, the reader is cautioned again that different budgeting and accounting systems in the 50 states may result in some distortion of data reported. However, those differences are not significant enough to restrict global comparisons.

Table 4.1, referred to previously in this chapter, lists total state educational expenditures for the 50 states. Within this gross figure are included expenditures for postsecondary or higher education.

Chapter 3 noted that Iowa's expanded state support for public school districts was followed by a reduction in the percentage of state appropriations for higher education. The question pursued here is, "Was Iowa unique in reducing the percentage of appropriations to higher education, or did other states follow a similar pattern?"

Figure 4.7, "Range of State Expenditures for Current Operations, Less Auxiliary Services, for State Institutions of Higher Education as a Percent of Total State Education Expenditures by State for Selected Years, 1960-76," reveals that significant changes occurred in Iowa. In 1960, Iowa ranked fourth nationally in the percentage of education

appropriations for higher education, and by 1976 had fallen below the national median, ranking thirty-sixth of 50 states. Only seven of the 50 states (Nebraska, South Dakota, Iowa, Kansas, Illinois, Montana, and Maine) reduced the percentage of appropriations for higher education during the period 1960-76. Interestingly, all seven states which reduced the percentage of appropriations to higher education between 1960 and 1976 were above the national median on this statistic in 1960, with five of the seven states ranking in the top ten. Nationally the median percentage of appropriations for higher education increased from 20.8% in 1960 to 27.8% in 1976. In 1960, per pupil expenditures from state sources for public schools (K-12) were below the national median in all seven states, with five (Nebraska, South Dakota, Kansas, Maine, and Iowa) ranking in the bottom ten. By 1976, four of the seven (Illinois, Kansas, Montana, and Iowa) had increased per pupil expenditures to the extent that they ranked above the national median, with Illinois and Montana climbing to the top ten.

Further investigation reveals that four of the seven states (Nebraska, South Dakota, Kansas, and Montana) continue to rank above the median in the percentage of appropriations for higher education. Thus, while it appears that substantially increased funding to public schools restricted appropriations to higher education, the apparent restrictions most severely affected three of the seven states—Iowa, Illinois, and Maine—all of which fell behind the national median in percentage of appropriations for postsecondary education. During the period studied, Iowa's percentage of appropriations for higher education dropped from 37% to 24.4%.

Table 4.2 lists the percentage of appropriations for higher education in the states for the period 1960-76. The dramatic decline in Iowa is obvious from the table. It is also interesting to note from Table 4.2 that the range decreased and the median percentage increased during the 16-year period studied.

While the amount of dollars and percentage of appropriations for higher education between 1960 and 1976 was increasing, so was the percentage of capita income going to higher education. Figure 4.8 illustrates the period's increase in per capita income for higher education —from 0.5% in 1960 to 1.4% in 1976. While Iowa increased its percentage from 0.7% to 1.3% during the 16-year period, its increase was significantly less than other states' increases, as reflected in Iowa's rank falling from eleventh to thirty-second among the states. Figure 4.8 also

indicates that nationally the median percentage of per capita income devoted to support higher education increased.

Another significant measure of state expenditures for higher education is per capita dollars devoted to higher education. As Figure 4.9 indicates, the national median of per capita expenditures increased from $10.23 in 1960 to $80.83 in 1976. Between 1960 and 1976, Iowa dropped in rank from eighteenth to twenty-eighth on this measure and fell below the 1976 national median in per capita dollars ($4.36) to support higher education.

**Expenditures Per Student**

Between 1960 and 1976, Iowa's rank among the 50 states dropped in percentage appropriations for higher education and in percentage of per capita income for higher education, but Iowa's rank in state expenditures per postsecondary student also dropped. In 1960, Iowa ranked third in expenditures per student, but by 1976 had fallen to ninth among the 50 states. Table 4.3 presents per student state expenditures for higher education in constant dollars for 1960-76. Table 4.3 reveals that the national median constant dollar state support per student in higher education rose from $902 to $1,057 between 1960 and 1976. During this same period, 1960-76, Iowa reduced state funding from $1,361 per student to $1,348 (in constant dollars).

**Enrollments**

It has been observed earlier through various measures that Iowa fell substantially behind in its national ranking relative to support of higher education during the 1960-76 period. Nonetheless, Iowa retained a high but decreasing rank in state support per student for higher education. How did this phenomenon occur? Enrollment data provide the answer.

In 1960, the national mean for the percent of a state's population enrolled in higher education was 1.1% compared to Iowa's 1.0%. Between 1960 and 1976, the national mean for the percentage of population enrolled in higher education increased from 1.1% to 4.1%. For Iowa, the increase was from 1.0% to 2.9%. Iowa's percentage increase in higher education enrollments during this period was one of the nation's

lowest, with Iowa ranking fortieth of 50 states on this measure. Table 4.4 lists all states for 1960 and 1976 with percentage of state population enrolled in postsecondary education.

The most revealing comparison of appropriations noted in this study relates to Iowa's rank in percentage of population enrolled in public postsecondary education. It should be noted that this statistic includes both resident and nonresident students enrolled in public postsecondary education within a state. In 1976, only two states ranked below Iowa in percentage of population attending public institutions of higher learning (Arkansas 2.7% and Pennsylvania 2.4%). Four states (Georgia, Iowa, Maine, and New Hampshire) each had 2.9% of their population enrolled.

In 1976, the median state percentage of population enrolled in public postsecondary education was 3.75% compared to Iowa's 2.9%. The largest enrollment percentage was in California, with 7.5% of the population in public postsecondary education.

Iowa's low percentage increase in public postsecondary education enrollments allowed the state to support postsecondary education with less effort than most other states. It is unknown what the financial consequences would have been had Iowa's enrollment growth approached the national median. It is known that Iowa's ability to support higher education increased and its efforts to do so decreased in comparison to other states. The period 1960-76 provided Iowa the opportunity to exercise its ability to support postsecondary education and to enhance its national ranking in this category with less relative effort than that exerted by most states. Iowa did not exercise its ability, however.

**Summary**

During the period from 1960 through 1976:

(1) Iowa increased its total state expenditures for public education from $99.4 million to $899 million.

(2) Iowa increased state support of public school districts at a higher rate than the nation as a whole.

(3) Iowa, which in 1960 ranked forty-sixth in state revenue per student enrolled in Iowa public schools, is now above the national median, ranking twenty-second in 1976.

(4) Iowa supported the increase in state appropriations per public school student from an increase in the per capita income.

( 5) Iowa increased the percentage of per capita income going to public elementary and secondary school districts.

( 6) During the 1960s, Iowa public schools did not experience the high percentage of enrollment increase that characterized other states, and, during the 1970s, Iowa is experiencing a greater percentage rate of decline than most other states.

( 7) Iowa provided a substantial increase in total state appropriations for education. The greatest portion of this increase went to public school districts. This increase resulted in a decline in the percentage of state expenditures allocated to the Board of Regents universities.

( 8) Iowa increased its percentage of per capita income devoted to higher education, but at a significantly lower rate than the nation as a whole.

( 9) Iowa fell below the national median in 1976 in per capita dollars to support higher education.

(10) Iowa did not increase expenditures per postsecondary student as rapidly as the increase in the national average.

(11) Iowa's ranking relative to dollars per postsecondary student remains high nationally.

(12) Iowa had one of the smallest percentage increases in the nation in higher education enrollments.

(13) Iowa's percentage of population enrolled in public postsecondary educational institutions is one of the lowest in the nation.

*Table 4.1—Total State Education Expenditures as a Percent of Total State General Expenditures by State, in Selected Years, 1960-76*

| Rank | 1960 | | 1964 | | 1968 | | 1972 | | 1976 | |
|---|---|---|---|---|---|---|---|---|---|---|
| 1 | NM | 45.8 | NM | 48.8 | UT | 54.3 | UT | 52.9 | TX | 52.4 |
| 2 | DE | 45.0 | UT | 48.3 | NM | 53.2 | NC | 50.5 | UT | 51.8 |
| 3 | AK | 44.0 | NC | 46.8 | IN | 50.5 | DE | 48.7 | WA | 50.3 |
| 4 | UT | 43.8 | IN | 45.8 | NC | 50.2 | IN | 48.7 | AZ | 49.3 |
| 5 | NC | 43.7 | WA | 44.9 | TX | 49.1 | NM | 48.6 | NC | 49.3 |
| 6 | WA | 41.0 | TX | 43.8 | MI | 48.2 | AZ | 48.2 | AL | 48.3 |
| 7 | CA | 40.5 | MI | 43.4 | DE | 48.0 | TX | 47.6 | MN | 48.1 |
| 8 | TX | 39.8 | DE | 42.3 | GA | 48.0 | FL | 46.7 | CO | 47.4 |
| 9 | MI | 38.7 | GA | 41.5 | SC | 48.0 | SC | 46.1 | NM | 47.2 |
| 10 | MN | 38.7 | MN | 41.4 | WA | 47.9 | AL | 45.3 | DE | 46.3 |
| 11 | GA | 38.2 | SC | 40.3 | FL | 47.2 | MN | 44.7 | FL | 43.9 |

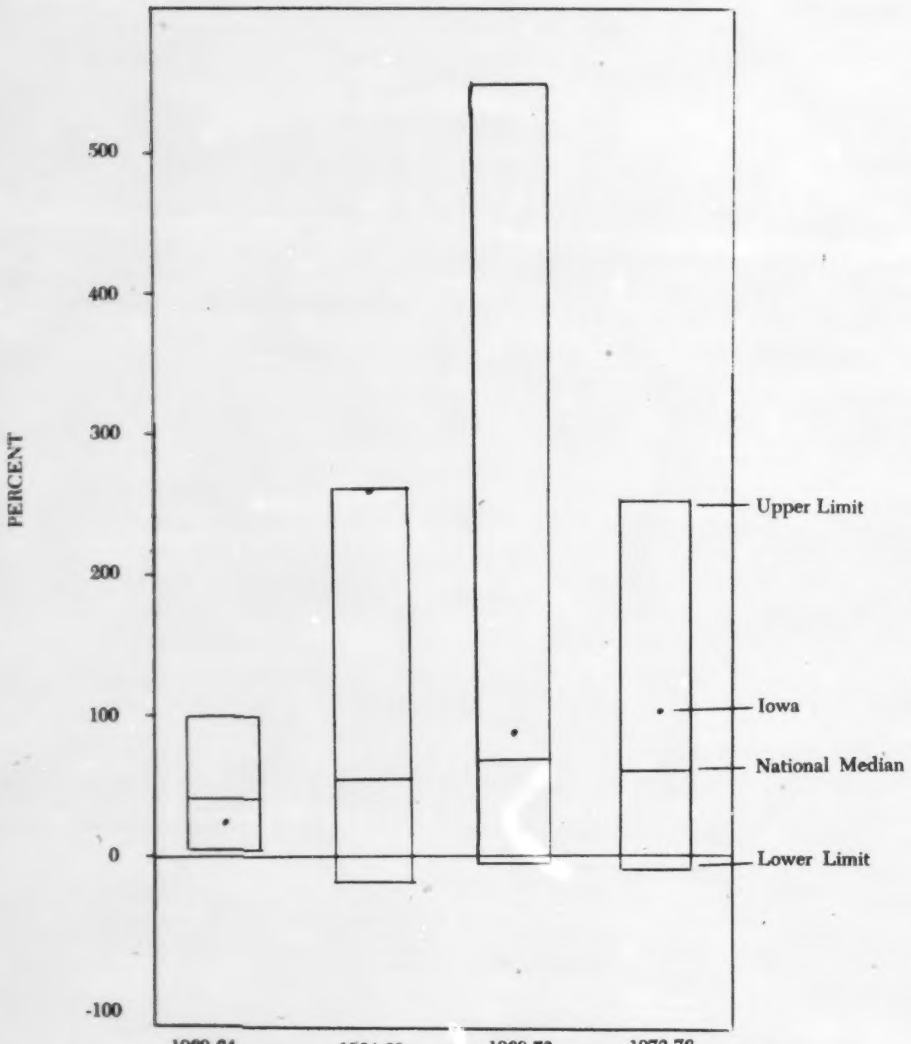


12

| | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| 12 | MS | 36.8 | CA | 39.6 | AL | 46.9 | WA | 44.0 | ME | 43.9 |
| 13 | IN | 36.6 | NY | 39.2 | CO | 45.4 | VA | 43.5 | IN | 43.5 |
| 14 | FL | 35.9 | AZ | 38.9 | AZ | 44.7 | GA | 43.4 | IA | 43.3 |
| 15 | WV | 35.5 | FL | 38.7 | KS | 44.3 | CO | 43.3 | GA | 43.0 |
| 16 | PA | 35.3 | CO | 37.5 | TN | 44.2 | MO | 42.7 | OK | 42.7 |
| 17 | AL | 35.0 | AL | 35.9 | VA | 44.0 | PA | 41.7 | KS | 42.5 |
| 18 | SC | 35.0 | MS | 35.9 | HI | 42.6 | IA | 41.4 | MS | 42.4 |
| 19 | VA | 34.6 | PA | 35.8 | MN | 42.1 | NV | 41.0 | VA | 41.9 |
| 20 | AZ | 34.5 | HI | 35.3 | IA | 41.8 | MI | 40.4 | SC | 41.7 |
| 21 | NV | 34.0 | TN | 34.9 | MS | 41.5 | TN | 40.3 | TN | 41.6 |
| 22 | TN | 32.5 | WV | 34.8 | MO | 41.4 | AR | 40.2 | NV | 41.2 |
| 23 | LA | 30.8 | OR | 34.6 | WV | 41.1 | KS | 40.2 | KY | 40.8 |
| 24 | WY | 30.3 | AK | 33.6 | OR | 40.9 | HI | 40.1 | AR | 40.7 |
| 25 | AR | 30.2 | KS | 33.1 | PA | 40.8 | LA | 39.4 | MO | 40.7 |
| 26 | OR | 30.2 | KY | 33.0 | IL | 39.9 | MS | 39.3 | ND | 40.6 |
| 27 | OK | 30.1 | VA | 32.7 | AR | 39.8 | SD | 39.3 | OH | 39.2 |
| 28 | NY | 29.4 | AR | 32.6 | MT | 39.6 | KY | 39.2 | MT | 38.2 |
| 29 | CO | 29.1 | LA | 32.0 | LA | 39.5 | ID | 38.9 | CA | 37.5 |
| 30 | MT | 28.9 | IL | 31.6 | NY | 38.3 | WI | 38.2 | LA | 37.5 |
| 31 | HI | 28.7 | OK | 31.2 | OH | 37.9 | OK | 38.2 | ID | 37.2 |
| 32 | KS | 28.7 | ND | 31.0 | KY | 37.5 | OH | 38.1 | MI | 37.2 |
| 33 | NJ | 28.6 | MO | 30.9 | WI | 37.4 | IL | 37.9 | IL | 36.9 |
| 34 | KY | 27.9 | ID | 30.4 | MD | 36.5 | MD | 37.5 | MD | 36.7 |
| 35 | MD | 27.6 | IA | 30.3 | NV | 36.2 | NE | 36.6 | PA | 36.1 |
| 36 | MO | 27.4 | MT | 29.9 | ME | 36.0 | AK | 36.2 | WI | 35.5 |
| 37 | ND | 26.7 | MD | 29.6 | WY | 35.8 | VT | 36.0 | WV | 35.0 |
| 38 | ID | 26.1 | WI | 29.3 | ID | 35.4 | MT | 35.9 | HI | 34.9 |
| 39 | WI | 25.1 | NV | 28.1 | ND | 35.2 | ND | 35.5 | NE | 34.5 |
| 40 | IL | 25.0 | NJ | 27.9 | SD | 35.2 | RI | 35.5 | OR | 34.4 |
| 41 | OH | 23.6 | WY | 27.5 | NJ | 35.0 | NY | 35.3 | AK | 33.3 |
| 42 | CT | 23.3 | OH | 26.3 | OK | 34.8 | WY | 34.9 | VT | 33.0 |
| 43 | IA | 23.1 | ME | 26.2 | VT | 33.9 | OR | 34.3 | SD | 32.4 |
| 44 | SD | 23.0 | RI | 25.6 | NE | 33.5 | WV | 34.0 | RI | 31.8 |
| 45 | VT | 22.1 | CT | 24.9 | CA | 33.2 | CT | 33.3 | CT | 31.6 |
| 46 | NE | 20.5 | VT | 24.7 | NH | 32.7 | ME | 32.4 | NJ | 30.2 |
| 47 | ME | 19.6 | NE | 24.0 | CT | 31.2 | NJ | 30.7 | NY | 30.2 |
| 48 | RI | 18.1 | SD | 23.5 | RI | 26.6 | CA | 30.1 | WY | 29.3 |
| 49 | NH | 17.7 | NH | 20.7 | AK | 24.1 | MA | 29.8 | MA | 28.5 |
| 50 | MA | 13.4 | MA | 15.8 | MA | 22.7 | NH | 27.1 | NH | 28.3 |

| | 1960 | 1964 | 1968 | 1972 | 1976 |
|---|---|---|---|---|---|
| Nat'l Median | 30.2% | 33.05% | 40.35% | 39.35% | 40.65% |
| Iowa | 23.1% | 30.3% | 41.8% | 41.4% | 43.3% |
| Iowa's Rank | 43 | 35 | 20 | 18 | 14 |

*Figure 4.1—Percentage Increase in Revenue from State Sources to Local Public Elementary and Secondary School Districts in Four-Year Intervals, 1960-76*




| | 1960-64 | 1964-68 | 1968-72 | 1972-76 |
|---|---|---|---|---|
| Nat'l Median | 40.8% | 64.1% | 60.7% | 56.5% |
| Iowa | 22.4% | 255.1% | 83.1% | 99.3% |
| Iowa's Rank | 44 | 1 | 16 | 6 |

*Figure 4.2—State Appropriations to Education and to Local Public School Districts in Selected Years, 1960-1976*

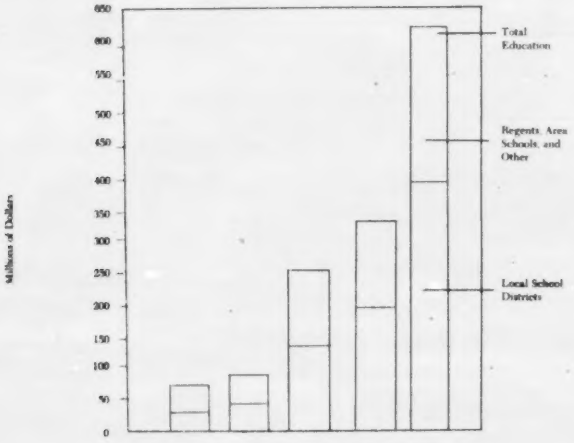



*Figure 4.3—Revenue from State Sources Per Student Enrolled in Local Public Elementary and Secondary School Districts in Selected Years, 1960-76*

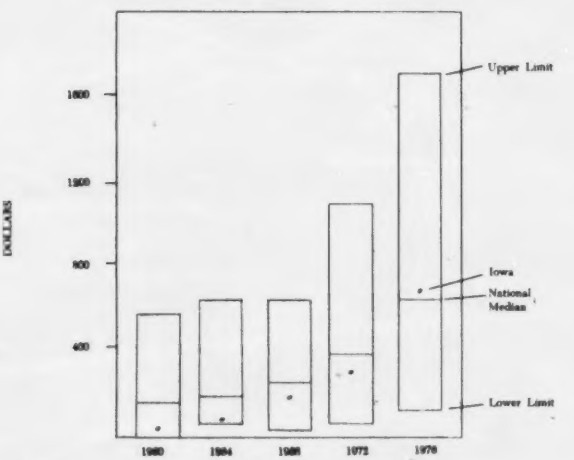
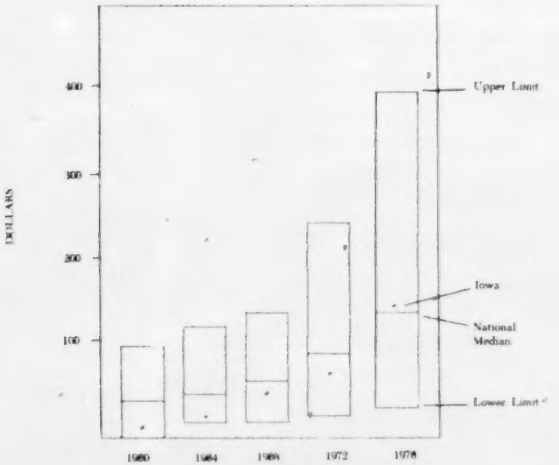
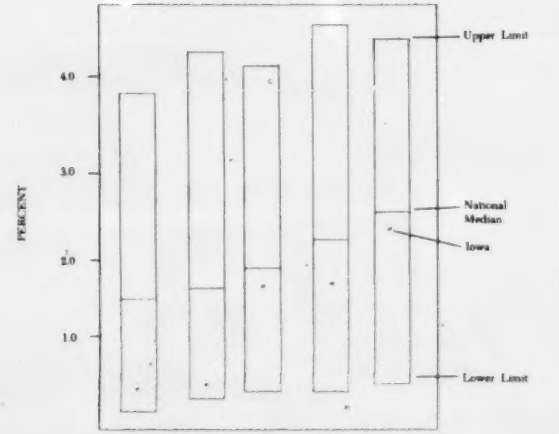


*Figure 4.4—Range of Per Capita Revenue from State Sources to Local Public Elementary and Secondary School Districts in Selected Years, 1960-76*



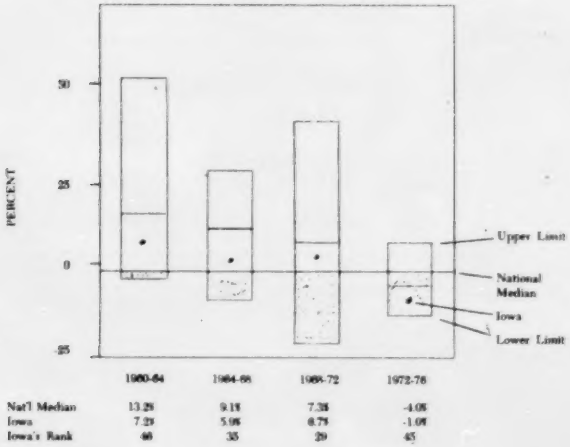

| | | | | | |
|---|---|---|---|---|---|
| Nat'l Median | $30.22 | $38.40 | $54.62 | $87.41 | $135.01 |
| Iowa | $ 9.08 | $11.08 | $30.13 | $89.92 | $138.08 |
| Iowa's Rank | 47 | 47 | 45 | 37 | 22 |

*Figure 4.5—Range of Per Capita State Expenditures to Local Public Elementary and Secondary School Districts As a Percent of Per Capita Income by State, in Selected Years, 1960-76*



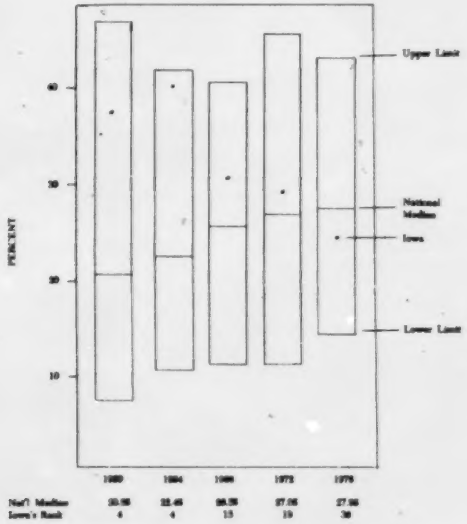

| | | | | | |
|---|---|---|---|---|---|
| Nat'l Median | 1.43 | 1.75 | 1.95 | 2.25 | 2.51 |
| Iowa | 0.55 | 0.58 | 1.25 | 1.88 | 2.39 |
| Iowa's Rank | 48 | 48 | 42 | 30 | 25 |

*Figure 4.6—Range of Percentage Increase in Enrollment in Local Public Elementary and Secondary School District by State, in Four-Year Intervals, 1960-64 to 1972-76*




| | 1960-64 | 1964-68 | 1968-72 | 1972-76 |
|---|---|---|---|---|
| Nat'l Median | 13.2% | 9.1% | 7.3% | -4.0% |
| Iowa | 7.2% | 5.0% | 6.7% | -1.0% |
| Iowa's Rank | 46 | 35 | 29 | 45 |

*Figure 4.7—Range of State Expenditures for Current Operations, Less Auxiliary Services, for State Institutions of Higher Education as a Percent of Total State Education Expenditures by State, for Selected Years, 1960-76*




| | 1960 | 1964 | 1968 | 1972 | 1976 |
|---|---|---|---|---|---|
| Nat'l Median | 33.9% | 32.4% | 30.2% | 27.0% | 27.3% |
| Iowa's Rank | 4 | 4 | 13 | 19 | 38 |

*Table 4.2–Total State Education Expenditures as a Percent of Total State General Expenditures by State in Selected Years, 1960-76*

| Rank | 1960 | | 1964 | | 1968 | | 1972 | | 1976 | |
|---|---|---|---|---|---|---|---|---|---|---|
| 1 | NE | 48.2 | NE | 43.4 | NE | 41.1 | NH | 46.6 | NH | 44.0 |
| 2 | SD | 45.6 | NH | 42.7 | SD | 38.6 | NE | 40.9 | NE | 41.0 |
| 3 | NH | 37.6 | VT | 41.9 | CO | 38.2 | CO | 39.6 | VT | 38.2 |
| 4 | IA | 37.0 | IA | 40.1 | OR | 37.5 | WI | 37.5 | CO | 37.3 |
| 5 | CO | 36.9 | SD | 38.9 | NH | 37.1 | OR | 35.8 | UT | 36.4 |
| 6 | VT | 34.0 | KS | 34.6 | WI | 35.3 | KS | 35.3 | SD | 34.9 |
| 7 | KS | 32.6 | CA | 32.1 | KS | 33.6 | ND | 35.0 | WI | 34.1 |
| 8 | WI | 31.6 | ND | 31.5 | ND | 33.5 | WA | 34.2 | OR | 33.6 |
| 9 | UT | 29.5 | CO | 31.2 | UT | 32.6 | IN | 33.8 | WY | 33.2 |
| 10 | IL | 29.2 | OR | 30.9 | RI | 32.0 | UT | 33.4 | IN | 32.6 |
| 11 | ND | 29.2 | IN | 29.9 | WY | 31.9 | SD | 32.0 | ND | 32.4 |
| 12 | MT | 28.7 | MT | 29.6 | WA | 31.4 | WY | 31.9 | WA | 32.4 |
| 13 | MI | 28.5 | UT | 29.0 | IN | 31.3 | VT | 31.2 | RI | 32.2 |
| 14 | IN | 28.4 | MI | 28.8 | MT | 30.7 | MN | 30.9 | VA | 31.9 |
| 15 | CA | 27.2 | WI | 28.6 | IA | 30.0 | OH | 30.9 | KS | 31.5 |
| 16 | RI | 26.4 | IL | 27.3 | MN | 29.8 | MT | 30.5 | KY | 31.1 |
| 17 | OR | 25.6 | AZ | 26.8 | AZ | 28.9 | NM | 29.3 | MI | 30.8 |
| 18 | ID | 23.6 | OH | 26.5 | HI | 28.9 | MI | 29.1 | HI | 30.4 |
| 19 | OK | 23.6 | NJ | 25.4 | MI | 28.5 | IA | 28.9 | MO | 29.7 |
| 20 | AZ | 23.4 | MN | 24.8 | ID | 27.5 | KY | 28.9 | CA | 28.9 |
| 21 | ME | 22.4 | OK | 24.8 | VT | 27.4 | AZ | 28.7 | MN | 28.7 |
| 22 | MN | 22.3 | ID | 23.8 | IL | 26.8 | HI | 28.6 | ID | 28.4 |
| 23 | VA | 22.0 | WY | 23.6 | NM | 26.7 | ID | 28.5 | MT | 28.4 |
| 24 | NJ | 21.7 | HI | 23.5 | OH | 26.6 | TN | 27.3 | AL | 28.2 |
| 25 | MD | 21.2 | ME | 22.4 | OK | 26.6 | NV | 27.2 | TN | 28.0 |
| 26 | WY | 20.4 | MD | 22.3 | CA | 26.3 | CA | 26.8 | OK | 27.7 |
| 27 | OH | 20.0 | RI | 22.2 | AK | 25.8 | RI | 26.5 | NJ | 27.5 |
| 28 | NM | 19.8 | VA | 22.0 | NV | 25.2 | ME | 26.3 | NV | 27.2 |
| 29 | AR | 18.8 | WA | 21.7 | MO | 23.9 | MO | 26.2 | GA | 26.5 |
| 30 | WA | 18.6 | NM | 21.3 | ME | 23.5 | OK | 25.4 | NM | 26.2 |
| 31 | AK | 18.5 | WV | 20.7 | MD | 23.2 | VA | 25.2 | OH | 26.0 |
| 32 | MO | 17.0 | MO | 20.3 | NJ | 22.5 | AL | 23.6 | CT | 25.9 |
| 33 | TX | 17.0 | NV | 19.4 | WV | 22.4 | AR | 23.3 | AZ | 25.8 |
| 34 | TN | 16.5 | AR | 19.2 | TX | 22.0 | GA | 23.3 | DE | 25.6 |
| 35 | LA | 15.6 | TX | 18.4 | TN | 21.9 | WV | 23.2 | TX | 24.7 |
| 36 | WV | 15.6 | TN | 18.0 | CT | 21.4 | TX | 22.8 | IA | 24.4 |
| 37 | CT | 15.5 | LA | 16.9 | AL | 20.2 | NJ | 22.5 | SC | 23.1 |
| 38 | NC | 15.1 | CT | 16.6 | LA | 20.0 | CT | 21.7 | AR | 22.4 |
| 39 | GA | 14.9 | AL | 16.5 | MA | 19.8 | NC | 21.6 | LA | 22.3 |
| 40 | AL | 14.7 | NC | 16.5 | AR | 19.6 | IL | 21.1 | IL | 21.9 |
| 41 | NV | 14.6 | AK | 16.4 | KY | 19.6 | MD | 20.2 | NC | 21.9 |
| 42 | KY | 14.4 | MA | 16.2 | VA | 19.5 | DE | 20.0 | MD | 21.8 |

| | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| 43 | MA | 13.3 | MS | 15.6 | MS | 19.1 | LA | 20.0 | MS | 21.3 |
| 44 | SC | 13.2 | KY | 15.1 | FL | 18.3 | MS | 20.0 | MA | 20.5 |
| 45 | FL | 12.5 | FL | 14.8 | GA | 17.9 | MA | 19.8 | AK | 18.8 |
| 46 | HI | 11.7 | GA | 14.2 | NC | 17.8 | SC | 17.6 | WV | 18.3 |
| 47 | MS | 11.7 | SC | 14.2 | DE | 16.2 | AK | 16.6 | ME | 18.0 |
| 48 | DE | 10.9 | DE | 13.8 | SC | 15.7 | FL | 16.3 | FL | 17.8 |
| 49 | PA | 8.3 | PA | 11.8 | PA | 11.9 | PA | 12.5 | NY | 14.5 |
| 50 | NY | 7.7 | NY | 10.4 | NY | 10.9 | NY | 11.5 | PA | 14.3 |

| | 1960 | 1964 | 1968 | 1972 | 1976 |
|---|---|---|---|---|---|
| Nat'l Median | 20.8% | 22.4% | 26.5% | 27.0% | 27.9% |
| Iowa | 37.0% | 40.1% | 30.0% | 28.9% | 24.4% |
| Iowa's Rank | 4 | 4 | 15 | 19 | 36 |

*Table 4.3—Total State Expenditures in Constant Dollars for Current Operations Less Auxiliary Services for State Institutions of Higher Education per Student Enrolled Ranked by State for 1960 and 1976*

*1960*

| | | | | | |
|---|---|---|---|---|---|
| Vermont | 1505.56 | Minnesota | 985.96 | Connecticut | 784.12 |
| Alaska | 1470.18 | Louisiana | 985.38 | Alabama | 766.35 |
| Iowa | 1361.07 | Colorado | 977.19 | Nebraska | 738.01 |
| Michigan | 1247.56 | Virginia | 961.36 | Kansas | 720.11 |
| Pennsylvania | 1230.92 | Georgia | 952.34 | Oklahoma | 717.85 |
| New Mexico | 1217.19 | Nevada | 917.48 | Massachusetts | 717.70 |
| Indiana | 1215.12 | Wyoming | 905.66 | West Virginia | 711.81 |
| South Dakota | 1171.86 | North Dakota | 903.71 | Tennessee | 694.31 |
| Utah | 2092.63 | Oregon | 900.86 | Hawaii | 693.68 |
| North Carolina | 1084.74 | Maryland | 872.71 | Missouri | 661.72 |
| Illinois | 1037.79 | Maine | 869.01 | Ohio | 655.85 |
| New Hamp. | 1028.69 | Rhode Island | 858.98 | Texas | 637.97 |
| Montana | 1014.52 | Florida | 838.49 | Arizona | 607.97 |
| California | 1009.81 | New Jersey | 834.24 | Kentucky | 592.59 |
| Washington | 1002.15 | Arkansas | 831.48 | New York | 571.33 |
| Delaware | 991.72 | South Carolina | 819.97 | Mississippi | 542.14 |
| Wisconsin | 985.96 | Idaho | 810.35 | | |

1960 National Median $902.29

*1976*

| | | | | | |
|---|---|---|---|---|---|
| Alaska | 2324.93 | Montana | 1160.92 | Nevada | 902.55 |
| Vermont | 1682.87 | Alabama | 1148.60 | Connecticut | 901.81 |
| Minnesota | 1659.24 | Wyoming | 1146.80 | Oklahoma | 864.02 |
| Utah | 1625.78 | Maine | 1128.31 | Texas | 837.87 |
| Hawaii | 1538.96 | Wisconsin | 1113.96 | Mississippi | 837.52 |
| Kentucky | 1456.06 | Arkansas | 1111.45 | Oregon | 813.47 |
| Delaware | 1415.69 | Idaho | 1079.90 | Maryland | 801.90 |
| Indiana | 1413.49 | Nebraska | 1072.72 | Pennsylvania | 798.48 |
| Iowa | 1347.83 | Tennessee | 1042.34 | Massachusetts | 765.27 |
| New Mexico | 1319.69 | North Carolina | 1021.79 | Illinois | 740.06 |
| North Dakota | 1297.84 | Virginia | 1003.72 | New Jersey | 708.77 |
| New Hamp. | 1289.18 | Louisiana | 1003.09 | West Virginia | 701.12 |
| South Dakota | 1244.67 | Missouri | 940.88 | New York | 649.46 |
| Rhode Island | 1241.29 | South Carolina | 933.47 | Florida | 624.26 |
| Colorado | 1204.58 | Kansas | 919.95 | Arizona | 618.50 |
| Washington | 1178.93 | Michigan | 916.64 | California | 586.72 |
| Georgia | 1171.95 | Ohio | 912.46 | | |

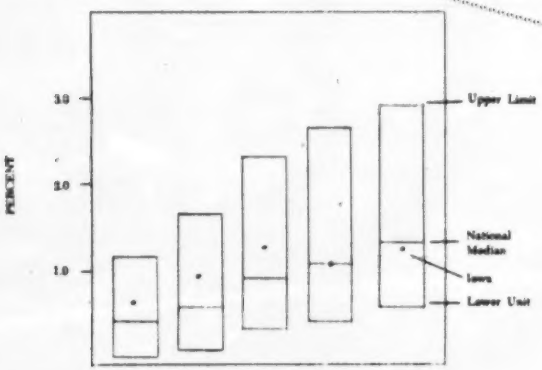
1976 National Median $1,057.53

*Table 4.4—Percentage of Population Enrolled in Postsecondary Education by State*

| State | Percent & Ranking | State | Percent & Ranking | State | Percent & Ranking |
|---|---|---|---|---|---|
| | | *1960* | | | |
| Arizona | 2.4 | Nevada | 1.3 | Ohio | 0.9 |
| Utah | 2.2 | Texas | 1.3 | Virginia | 0.9 |
| California | 2.1 | Alaska | 1.2 | Florida | 0.8 |
| North Dakota | 2.0 | Delaware | 1.2 | Georgia | 0.8 |
| Wyoming | 2.0 | Louisiana | 1.2 | Illinois | 0.8 |
| Colorado | 1.9 | Mississippi | 1.2 | Maine | 0.8 |
| Kansas | 1.9 | West Virginia | 1.2 | Missouri | 0.8 |
| Oklahoma | 1.8 | Wisconsin | 1.2 | North Carolina | 0.8 |
| Oregon | 1.7 | Indiana | 1.1 | Rhode Island | 0.8 |
| Washington | 1.7 | Alabama | 1.0 | Connecticut | 0.7 |
| Nebraska | 1.6 | Iowa | 1.0 | New York | 0.7 |
| Michigan | 1.5 | New Hampshire | 1.0 | South Carolina | 0.7 |
| Minnesota | 1.5 | Tennessee | 1.0 | New Jersey | 0.6 |
| Montana | 1.5 | Vermont | 1.0 | New Mexico | 0.6 |
| South Dakota | 1.5 | Arkansas | 0.9 | Massachusetts | 0.4 |
| Hawaii | 1.4 | Kentucky | 0.9 | Pennsylvania | 0.3 |
| Idaho | 1.3 | Maryland | 0.9 | | |
| | | *1976* | | | |
| California | 7.5 | Virginia | 4.3 | New York | 3.4 |
| Arizona | 7.4 | New Mexico | 4.1 | Missouri | 3.3 |
| Oregon | 5.6 | Alabama | 4.0 | Tennessee | 3.3 |
| Washington | 5.6 | Illinois | 4.0 | Ohio | 3.2 |
| Colorado | 5.3 | Nebraska | 3.9 | South Dakota | 3.2 |
| Hawaii | 4.9 | Idaho | 3.8 | Kentucky | 3.1 |
| Nevada | 4.9 | Mississippi | 3.8 | New Jersey | 3.1 |
| Michigan | 4.8 | South Carolina | 3.8 | Connecticut | 3.0 |
| Delaware | 4.7 | Minnesota | 3.7 | Indiana | 3.0 |
| Kansas | 4.7 | Montana | 3.7 | Massachusetts | 3.0 |
| Utah | 4.6 | North Carolina | 3.7 | Georgia | 2.9 |
| Wisconsin | 4.6 | West Virginia | 3.7 | Iowa | 2.9 |
| Wyoming | 4.6 | Vermont | 3.6 | Maine | 2.9 |
| Oklahoma | 4.5 | Alaska | 3.5 | New Hampshire | 2.9 |
| Maryland | 4.3 | Rhode Island | 3.5 | Arkansas | 2.7 |
| North Dakota | 4.3 | Florida | 3.4 | Pennsylvania | 2.4 |
| Texas | 4.3 | Louisiana | 3.4 | National Median | 3.75 |

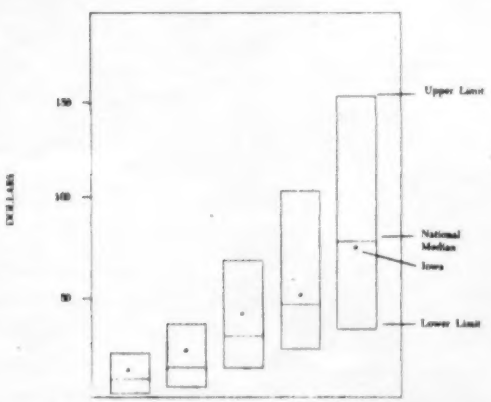
Computed from information available through the Office of Education and the Bureau of the Census.

*Figure 4.8—Range of Per Capita State Expenditures for Current Operations Less Auxiliary Services for State Institutions of Higher Education as a Percent of Per Capita Income by State, for Selected Years, 1960-76*




| | 1960 | 1964 | 1968 | 1972 | 1976 |
|---|---|---|---|---|---|
| Nat'l Median | 0.58 | 0.75 | 1.05 | 1.25 | 1.43 |
| Iowa | 0.75 | 1.05 | 1.35 | 1.25 | 1.39 |
| Iowa's Rank | 11 | 10 | 10 | 31 | 32 |

*Figure 4.9—Range of Per Capita Expenditures for Current Operations Less Auxiliary Services for State Institutions of Higher Education by State, in Selected Years, 1960-76*




| | 1960 | 1964 | 1968 | 1972 | 1976 |
|---|---|---|---|---|---|
| Nat'l Median | $10.53 | $13.28 | $20.72 | $48.51 | $80.53 |
| Iowa | $13.34 | $23.10 | $40.66 | $52.89 | $78.47 |
| Iowa's Rank | 16 | 15 | 17 | 33 | 28 |

# CHAPTER 5—GENERAL SUMMARY

The preceding chapters presented in detail changes and comparisons of state financing of education in Iowa for the period 1960-76. This brief chapter presents a summary of those changes and the comparisons that the researchers deemed most significant.

During the years 1960 through 1976, the broad program category Education commanded significantly increased state support in Iowa. This increased support for education is readily discernible.

Total state appropriations in Iowa increased from $170 million in 1960 to $1.3 billion in 1976, an increase of 659% in the state budget. The program category Education, which received 41.3% of state appropriations in fiscal 1961, received 49.8% in 1977. In dollars this was an increase from $70.3 million to $654.9 million, or stated another way, an increase of over 800%.

The increased support for the program category Education has been concentrated at the state level. Measures to increase reliance on state revenue and to lessen reliance on local revenue, notably property taxes, were implemented during this time.

The major recipient of increased state support for education was the public school districts. Another large recipient of state appropriations, the regents universities, did not fare as well. Mathematically it is impossible to increase the percentage of state funds to the K-12 public school districts without decreasing the percentage devoted to regents universities. During the 1960-76 period, the percentage decline suffered by the Board of Regents is not alarming in itself, but the seeming restrictions in appropriations, considering increased enrollments and declining purchasing power of the dollar, were significant and are cause for great concern.

Increased support of the program category Education is discernible in Iowa's position in the ranking of states on state revenue per student enrolled. In 1960, Iowa ranked forty-sixth nationally in state support per student to local school districts. By 1976, the state had moved above the nation's median, ranking twenty-second.

Another indication of increased state support to education is the

increase in per capita income designated to education, which increased both in dollars and as a percentage of per capita income at the public school level. The dollar amount of per capita income designated for postsecondary education rose, but it has not kept abreast with other states nor with the per capita rise in income. As a result, the percentage of per capita income designated for higher education has fallen below the national median.

Although most of this study's findings compliment Iowa's increased support to education, it should be recognized that financing education was not as great a burden for Iowa as it was for the majority of states. Iowa did not experience the burgeoning enrollment increases sustained by the nation as a whole and some states in particular. This was true at both the K-12 level and at the postsecondary level.

The expenditures per postsecondary student have increased less rapidly in Iowa than in the nation as a whole, resulting in a drop in Iowa's relative ranking in expenditures per postsecondary student. This can be tempered to a degree by recognizing that Iowa still remains relatively high in its support of postsecondary education. The most disquieting aspect of this study is that Iowa's support for education, considering increased enrollments and declining purchasing power (constant dollars) has declined both in constant dollar expenditures per student and in national ranking.

For the period 1960-76, Iowa can be proud of increasing state financial support to K-12 school districts. Many problems exist and challenges remain to be met, however. How to provide adequate resources to school districts suffering high declines in enrollment, how to meet the problems of inflation, and how to increase resources to postsecondary education are but three of many pressing problems facing education in Iowa.

# APPENDIX A

## Revenue Resources Included in Appropriable Receipts

Special Taxes
- Beer
- Chain Store
- Cigarette
- Tobacco
- Equipment Car
- Corporation Income
- Individual Income
- Inheritance
- Insurance Premium
- Liquor
- Sales
- Use
- Franchise
- Monies and Credits

County Treasurers
Liquor Control
Interest Earned
Fees
Miscellaneous
Revenue Sharing

## Departments Included in the Six Major Areas of Appropriation

State Departments
- Accounting, Board of
- Appeal Board
- Architectural Examiners
- Arts Council
- Attorney General
- Auditor of State
- Banking Department
- Beer and Liquor Control
- Campaign Finance Disclosure
- Capital Planning Commission
- Citizens Aid, Office of

- Comptroller, Office of
- Council of State Government
- Economic Opportunity
- Engineering Examiners
- Executive Council
- General Services
- Governor
- Governor, Lieutenant
- Historical Commissioner
- Insurance, Department of
- Interstate Cooperation, Commission on
- Job Service of Iowa
- Judicial Department
- Labor, Bureau of
- Landscape Architecture
- Legislature
- Legislative Fiscal Bureau
- Legislative Services
- Library Commission
- Merit Employment Department
- Occupational Safety and Health
- Pioneer Lawmakers
- Planning and Programming
- Public Employees Relations
- Real Estate Commission
- Revenue, Department of
- Science, Academy of
- Secretary of State
- Supreme Court Code Editor
- Treasurer of State
- Uniform State Laws
- Watchmaking Examiner

Education

- District School Aid
  - Aid to Handicapped Children
  - Boarding Homes, State Aid
  - Charitable Institutions, State Aid
  - Driver's Training Aid
  - Emergency Aid
  - Equalization Aid
  - Equalization Aid—$45/student
  - General School Aid
  - Income Tax—40% Payment
  - Manpower Development Training Act
  - National Defense Education Act
  - Revolving Funds—Federal Programs
  - School Budget Review Committee
  - School Nutrition Program
  - Sharing Services

- Special Education Programs
- State Foundation Aid
- State Institution Aid
- Supplemental Aid
- Transportation Aid
- Transportation—Nonpublic Students
- Tuition & Transportation—Inst tution Children
- Vocational Education
- Vocational Education, Board of
- Merged Area
- Community Colleges
- Vocational Match
- Equipment Replacement
- IPERS Reimbursement
- Other Capital
- Board of Regents
- General Office
- The University of Iowa
- General University
- Hospital
- Psychopathic Hospital
- Hygienic Laboratory
- Hospital School
- Oakdale Campus (State Sanitorium)
- Iowa State University
- General University
- Agricultural Experiment Stations
- Cooperative Extension Services
- Other
- University of Northern Iowa
- Iowa Braille and Sight Saving School
- Iowa School for the Deaf
- Capital (Total all Institutions)
- Blind, Commission for
- Vocational Rehabilitation
- General Services (Ed. Radio & TV)
- Higher Education Facilities Commission
- Soldier's Bonus Board
- Teacher's Retirement (I.P.E.R.S.)
- Department of Public Instruction
- General Office
- Certification Fee Funds
- Compact for Education
- Drug Education
- Economic Opportunities Act
- Education of Migrants
- Environmental Education
- Exam Funds, Board of Education
- Mining Camp Schools

- Normal Institutes
- Professional Teaching Practices Commission
- Revolving Funds
- Vocational Youth Organizations Fund

Human Resources
- Alcoholism, Commission on
- Aging, Commission on
- Civil Rights Commission
- Drug Abuse
- Employment of Handicapped
- Health, Department of
- Housing Authority
- Medical Examiners
- Mental Health Authority
- Nurses Examiners
- Parole, Board of
- Pharmacy Examiners
- Social Services, Department of
- Spanish-American War Veterans
- Spanish Speaking Peoples Commission
- Status of Women

Transportation and Law Enforcement
- Commerce Commission
- Crime Commission
- Law Enforcement Academy
- Public Defense, Department of
- Public Safety, Department of
- Transportation, Department of

Natural Resources
- Agriculture, Department of
- Conservation Commission
- Development Commission
- Energy Policy Council
- Environmental Quality
- Fair Board
- Geological Survey
- Herbert Hoover Birthplace
- Iowa American Revolution
- Iowa Great Lakes
- Midwest Nuclear Compact
- Mississippi Parkway
- Mines and Minerals
- Natural Resources Council
- Soil Conservation Commission
- Upper Mississippi Riverway

Miscellaneous Tax Credits and Aids
- Comptroller, Office of State
  - General Office
  - Municipal Assistance Fund

- County Assistance
- Agricultural Land Tax Credit
- Personal Property Tax Replacement
- Personal Property Tax Replacement–Livestock
- Peace Officer's Retirement Municipalities

Environmental Quality, Department of
- Sewage Works–prior to 1969
- Sewage Works–5% grants
- Sewage Works–25% Grant Deficiencies

Health, Department of
- Alcoholism Division (Grants for Treatment)

Indian Settlement Officer (Indian Settlement Officer)

Library Comm.
- State Library (Regional Library Comm.)

Revenue, Department of
- General Office
  - Printing Cigarette Stamps
  - Refund Cigarette Stamps
  - Sales Tax Fees and Costs
  - Refund–Sales, and Use Tax-Relief Agency
  - Refund–Income, Corporation, Sales Tax
  - Homestead Tax Credit
  - Inheritance Refund

Soil Conservation, Department of
- District Offices
- Conservation Cost Share 1975-76

Transportation, Department of
- General Fund Appropriations
  - Railroad Improvement Program
  - Terminal Car
  - Interstate Bridges
  - Public Transit Aid
  - Miscellaneous Transportation Aid
  - Airport Development
  - Grant River Road
  - Grade Crossing Surface Repair

Treasury of State
- Monies and Credits Replacement Fund

# FOOTNOTES

1. U.S. Department of Commerce, *Statistical Abstract of the United States, 1949* (Washington, D.C.: GPO, 1949), p. 116.
2. *Standard Education Almanac 1977-78*, 10th ed. (Chicago: Marquis Who's Who, Inc., 1977), p. 182.
3. *Standard Education Almanac, 1970* (Los Angeles: Academics Media, 1970), p. 162.
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5. George H. Wade, *Fall Enrollment in Higher Education, 1969*, National Center for Educational Statistics (Washington, D.C.: GPO, 1970), p. 12.
6. *Statistics of Public Elementary and Secondary Day Schools, Fall 1975*, National Center for Education Statistics (Washington, D.C.: GPO, 1977), pp. 29-35; Bureau of the Census, *Statistical Abstract of the United States, 1977* (Washington, D.C.: GPO, 1978), p. 156.